



Australian Social Trends 2007

Article: One-parent families

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SYMBOLS AND USAGES

billion	1,000 million
kg	kilogram
m	metre
n.a.	not available
n.e.c	not elsewhere classified
n.p.	not published
n.y.a.	not yet available
no.	number
'000	thousand
'000m	thousand million
\$	dollar
\$m	million dollars
\$b	billion dollars
\$US	American dollar
%	per cent
*	estimate has a relative standard error of 25% to 50% and should be used with caution
**	estimate has a relative standard error of greater than 50% and is considered too unreliable for general use
. .	not applicable
—	nil or rounded to zero (including null cells)

Where figures have been rounded, discrepancies may occur between the sums of the component items and totals.

One-parent families

In 2003–04, 49% of one-parent family households with children under 15 years were simultaneously in the lowest three deciles of income and of net worth. This compared with 11% of couple families with children under 15 years.

Compared with other family types, one-parent families are considered to be at a higher risk of disadvantage, for example, in income, housing, employment and social participation. Over the last few decades, one-parent families increased as a proportion of all families with children. Consequently, a greater number of children spend at least some of their childhood with a lone parent; and many women and some men experience sole parenting, often in difficult financial circumstances.

The economic and social wellbeing of one-parent families has been a focus of social policy for some decades. Associated issues such as child support and children's contact with their non-resident parents have also become prominent (see *Australian Social Trends 2006*, Children living apart from one parent, pp 44–48). There is consequently interest in the characteristics and situation of one-parent families.

How many one-parent families?

In 2004–2006, there were on average 486,000 one-parent families with children under 15 years. They accounted for 22% of all families with children of this age. In this period, on average one in five children aged under 15 years (20%) were in one-parent families.

Data sources and definitions

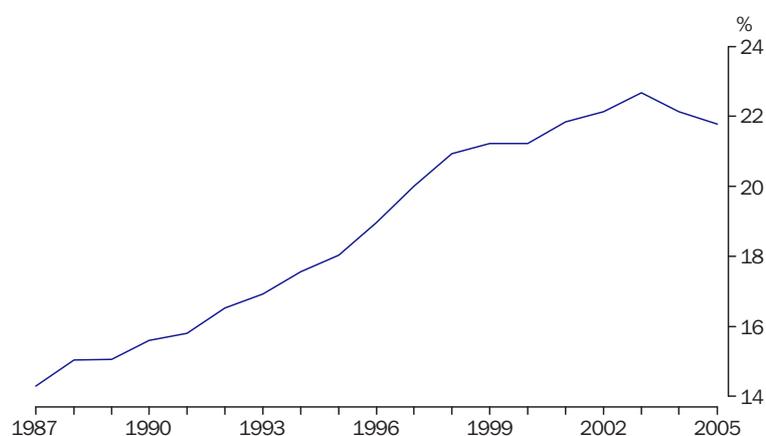
The article profiles one-parent families with at least one child under 15 years, and compares them with couple families with children of the same age. The article draws principally on information from five ABS surveys: the Labour Force Survey (LFS), the Family Characteristics Survey, the Survey of Education and Work, the Survey of Income and Housing (SIH) and the Household Expenditure Survey (HES).

In these household sample surveys there is a possibility of a small overcount of one-parent families, and of children in them, if each of two separated parents identifies the same child as a 'usual resident' of their household.

Data on the economic resources of one-parent families from the SIH and the HES are restricted to those living in one-family households; around 7% of one-parent families lived in multi-family households according to the 2003–04 SIH.

Annual data from the LFS are a good source of information on the labour force and other characteristics of families and provide a long time series of this information. However, the survey was not specifically designed to produce high quality family estimates and estimates of family types can be volatile. In presenting information on the trend in the number of one-parent families in this article, annual estimates from the LFS have been smoothed using three year moving averages to remove the volatility in this series. Modifications to LFS methodology in order to improve family estimates are being considered for possible implementation in the next couple of years.

One-parent families as a proportion of all families with children under 15 years(a)(b)



(a) Three year moving averages. For example, 2005 data is the average of data from 2004 to 2006.

(b) Prior to 1989, 'one-parent families' included a small number of other family types.

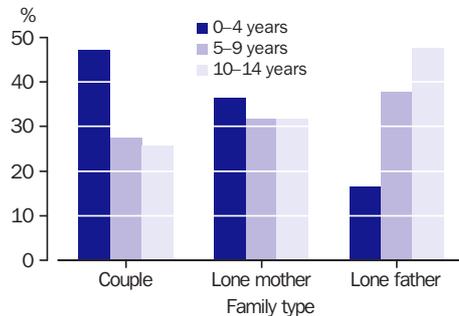
Source: *Labour force, Australia: Labour force and other characteristics of families – Electronic delivery June 2006* (ABS cat. no. 6224.0.55.001); *Labour force and other characteristics of families, Australia* (ABS cat. no. 6224.0) annual issues 1986 to 1993.

Over the last two decades, one-parent families increased substantially as a proportion of all families with children under 15 years. In 1986–1988, one-parent families accounted for 14% of such families on average. The proportion increased to an average of 20% in 1996–1998, reached 23% in 2002–2004 and then fell slightly to 22% in 2004–2006.

...how are they formed?

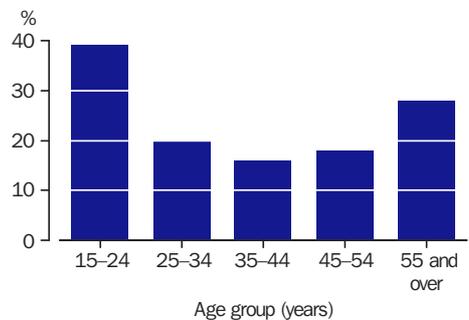
The break up of couples contributes most to the number of one-parent families; and births of children to unpartnered mothers most of the remainder. Most lone parents of children under 15 years are divorced or separated from a registered marriage (55% in 2003 according to the Family Characteristics Survey) and a small proportion are widowed (5%). A substantial proportion of lone parents have never been in a registered marriage (39% in 2003 and 35% in 1997) but a large proportion of these are likely to represent separations of de facto couples.

Families with children under 15 years by age of youngest child — 2006



Source: Labour force, Australia: Labour force and other characteristics of families – Electronic delivery June 2006 (ABS cat. no. 6224.0.55.001).

Lone mothers as a proportion of all mothers of children under 15 years — 2006



Source: Labour force, Australia: Labour force and other characteristics of families – Electronic delivery June 2006 (ABS cat. no. 6224.0.55.001).

Demographic characteristics

In 2006, 87% of one-parent families with children under 15 years were headed by mothers. The proportion headed by fathers was 12% in 1997 and 13% in 2006.

There were on average 1.7 children in one-parent families with children under 15 years (1.7 in lone-mother families and 1.6 in lone-father families). This compared to an average of 1.8 children in couple families with children under 15 years.

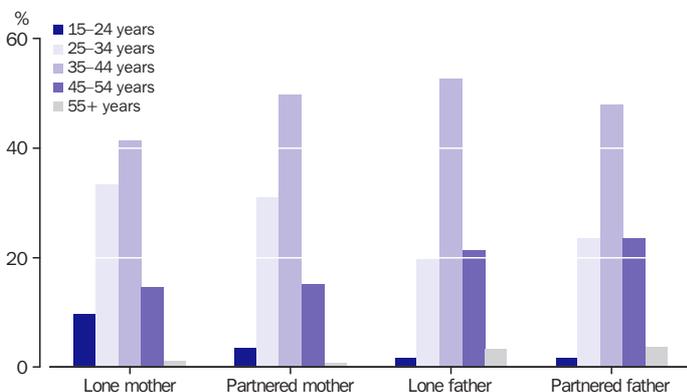
Couples were more likely than lone mothers to have a child under five years in their family (47% compared with 36%). Lone fathers were the least likely to have a child aged under five years in the family (16%).

Fathers tend to have an older age profile than mothers, and this was observed for both lone and partnered parents. Overall, lone and partnered mothers were distributed in a similar pattern by age, as were lone and partnered fathers. The peak age group was

35–44 years for each of these groups of parents. However, this peak age group accounted for slightly fewer lone than partnered mothers (41% compared with 50%), with lone mothers distributed slightly more to both younger and older age groups. This meant that lone mothers accounted for a greater proportion of all mothers in both younger and older age groups than in the 35–44 year age group, where they accounted for 16%. Notably, although only 10% of lone mothers were aged 15–24 years, they accounted for 39% of mothers of this age.

Parents of children under 15 years had an older age profile in 2006 than in 1997. The proportion of lone mothers who were aged under 35 years decreased from 53% to 43% between 1997 and 2006. There was a similar decrease from 43% to 34% for partnered mothers. The proportion of partnered fathers who were aged under 35 years decreased from 31% to 25%.

Parents of children under 15 years by age — 2006



Source: Labour force, Australia: Labour force and other characteristics of families – Electronic delivery June 2006 (ABS cat. no. 6224.0.55.001).

Lone parents' education and work

...educational attainment and current study

Lone parents tended to have lower levels of educational attainment than partnered parents although both groups included people with high and low level qualifications. The greater differences were at the two extremes of educational attainment. In 2006, 39% of lone parents, compared with 24% of partnered parents, had left school before year 12 and had no non-school qualifications. At the other end of the educational spectrum, half as many lone as partnered parents had a bachelor degree or higher qualification (12% compared with 24%).

Educational attainment and current study status of parents of children under 15 years — 2006

	Lone %	Partnered %
Without year 12 and no non-school qualifications	39.3	23.6
Year 12 and no non-school qualifications	13.9	15.3
Vocational qualifications or associate/undergraduate diploma(a)	35.2	36.7
Bachelor degree or higher	11.7	24.4
Total	100.0	100.0
Currently studying at an educational institution	14.1	7.3

(a) May or may not have completed year 12.

Source: ABS 2006 Survey of Education and Work.

Lone parents were more likely than partnered parents to be undertaking current study at an educational institution (14% compared with 7%). This was observed for each ten year age group. For example, 19% of lone parents aged 15–24 years were undertaking current study, compared with 12% of partnered parents. Part-time study was most common among lone-parent students (68%). A large proportion were studying at either a TAFE (39%) or higher education institution (29%), with the remainder studying at diverse institutions including schools, business colleges, adult education colleges, industry skills centres and job network members.

...labour force participation

Between 1997 and 2006 the proportion of lone parents who were in the labour force (i.e. either employed or looking for work) increased from 52% to 62%. This reflected an increase in the proportion of lone mothers in the labour force, from 49% to 60%. Over the

same period the proportion of partnered mothers in the labour force also increased, from 61% to 66%. The labour force participation rate of partnered fathers remained the same (around 94%) while that for the small number of lone fathers fluctuated in the range 63% to 77%.

The increase in labour force participation of mothers largely reflected an increase in the proportion of mothers in part-time work. In 1997, 23% of lone mothers worked part-time, increasing to 32% in 2006. The proportion of partnered mothers working part-time increased at a slower rate, from 34% to 39%, over the same period. In contrast, there was little change in the proportion of mothers working full-time over this period. The proportion of lone mothers employed full-time was 18% in 1997 and 19% in 2006; and the proportion of partnered mothers working full-time was 23% in 1997 and 24% in 2006.

Labour force participation varies greatly between men and women and so it is useful to compare lone mothers with partnered mothers and lone fathers with partnered fathers. As discussed, in 2006, about 19% of lone mothers were employed full-time, compared with 24% of partnered mothers. A further 32% worked part-time, compared with 39% of partnered mothers. Almost one in ten lone mothers were looking for part-time or full-time paid work (9%); considerably higher than the 3% of partnered mothers looking for work. Those not in the labour force (i.e. not employed and not seeking employment) made up 40% of lone mothers and 34% of partnered mothers.

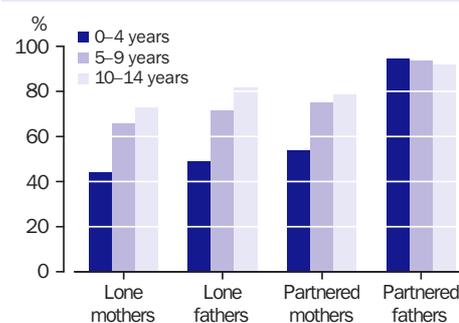
In 2006, about 72% of lone fathers were in the labour force. This was higher than the rate for lone mothers but lower than the 94% of partnered fathers who were in the labour

Labour force status of parents of children under 15 years — 2006

	In labour force			Total %	Not in labour force %
	Employed full-time %	Employed part-time %	Unemployed %		
Lone parents	23.0	29.4	9.4	61.8	38.2
Lone mother	19.2	31.7	9.3	60.2	39.8
Lone father	47.5	14.8	10.4	72.1	27.9
Partnered mother	24.4	39.0	2.6	66.2	33.9
Partnered father	85.3	5.9	2.4	93.6	6.4

Source: Labour force, Australia: Labour force and other characteristics of families – Electronic delivery June 2006 (ABS cat. no. 6224.0.55.001).

Labour force participation rate by age of youngest child — 2006



Source: Labour force, Australia: Labour force and other characteristics of families – Electronic delivery June 2006 (ABS cat. no. 6224.0.55.001).

force. Almost half of lone fathers worked full-time (48%). This compared with 85% of partnered fathers. Lone fathers were more likely than partnered fathers to work part-time (15% compared with 6%) or to be unemployed (10% compared with 2%).

The proportion of lone parents in the labour force increased with the age of the youngest child in the family, as was the case for partnered mothers.

While the proportion of partnered parents who were unemployed decreased between 1997 and 2006 (from 4.5% to 2.5%), there was little change in the proportion of lone parents who were unemployed (9% in both 1997 and 2006, and fluctuating between 7% and 10% between those years).

Economic resources

...income sources

In 2003–04, Government pensions and allowances were the largest single source of income for 61% of one-parent family households. This was about the same proportion as in 1996–97 (62%). Of one-parent families with government pensions and

allowances as the principal income source in 2003–04, 23% received some of their current weekly income from wages and salaries or own unincorporated business income and 50% received some from child support.

Wages and salaries or income from their own unincorporated business were the principal source of income for 37% of one-parent families in 2003–04, about the same as in 1996–97 (35%). The proportion of lone parents receiving some income from wages and salaries or income from their own unincorporated business was 51% in 2003–04, an increase from 44% in 1996–97.

Child support is a topic which has generated considerable debate and policy change as the number of lone parents has increased. In 2003–04, more than half (51%) of one-parent families reported that they did not receive any current weekly income from child support or maintenance payments and a further 12% received less than \$10. Around 16% of lone parents received payments of \$100 per week or more. These data may not include all child support, for example, arrangements where the non-resident parent pays directly for particular items, or where income is received on a less regular or ad hoc basis.

Families with children under 15 years(a) — 2003–04

Selected household characteristics	Unit	One-parent families			Couple families
		Lone mother	Lone father	Total	Total
Income					
Mean weekly equivalised disposable household income(b)	\$	364	429	372	534
Principal source of income was government pensions and allowances	%	63.3	47.1	61.3	8.2
Is a low income household(c)	%	41.7	32.8	40.6	16.4
Expenditure					
Mean weekly equivalised expenditure on goods and services(b)	\$	397	408	399	529
Wealth					
Mean household net worth(d)	\$ '000	123	171	129	471
Income and wealth combined measure					
Is a low economic resources household(e)	%	49.9	39.6	48.6	11.0
Housing tenure					
Renter	%	65.1	56.4	64.0	21.2
Owner with mortgage	%	24.7	36.7	26.3	62.9
Owner without a mortgage	%	7.7	4.9	7.3	13.5

(a) Excludes families in multi-family households, for example a lone parent and child living with the child's grandparents, or with another couple. In 2003–04, 7% of one-parent families were in multi-family households. However, one-family households may contain persons other than the parent/s and child/ren who make up the family.

(b) Equivalised data are adjusted to take account of the different numbers of adults and children in households. Disposable income is income after tax payments and the Medicare levy.

(c) Is in decile 2 or 3 of mean equivalised disposable household income distribution of total households.

(d) The value of household assets minus liabilities.

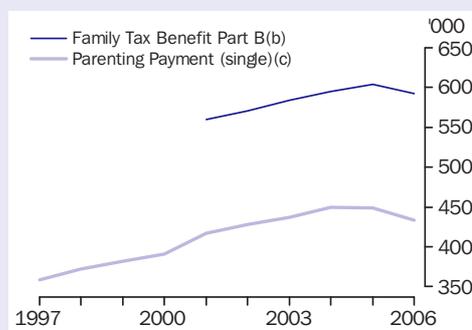
(e) Households which are simultaneously in both the lowest three deciles of equivalised disposable income and the lowest three deciles of equivalised net worth.

Source: ABS 2003–04 Household Expenditure Survey, ABS 2003–04 Survey of Income and Housing.

Income support for lone parents

The Australian income support system provides financial assistance to people in a variety of situations, including job seekers, the aged, people with a disability and students. Income support specifically targeted at lone parents was introduced in 1973 as the Supporting Mother's Benefit and expanded to include lone fathers in 1977. There have been many subsequent modifications to income support for lone parents. Between June 1997 and June 2006 Parenting Payment (single) was available to lone parents with principal care of a dependent child under 16 years, subject to income and assets tests and other eligibility requirements.

Lone parents receiving Family Tax Benefit Part B, Parenting Payment (single)(a)



- (a) Recipients at June each year.
 (b) Lone parent recipients at June each year; restricted to those receiving this supplement as a fortnightly payment. Some parents (less than 20,000) receive it as a lump sum. Prior to 2001, different family assistance arrangements were in place.
 (c) Payment was known as Sole Parent Pension in 1997 and Parenting Payment (single) from 1998.

Sources: Department of Family and Community Services and Indigenous Affairs (FaCSIA) *Annual Reports 2000–01 to 2005–2006*; FaCSIA 2006, *Statistical Paper No. 3 Income support customers: a statistical overview 2004*; *Yearbook Australia, 2007* (ABS cat. no. 1301.0).

The number of people receiving Parenting Payment (single) at June each year decreased between 2004 and 2006, from 449,000 to 433,000. This was the first decrease in the number of recipients of this payment, or its predecessor the Sole Parent Pension, since 1997. Total financial year expenditure on this payment decreased from \$4,847 million to \$4,818 million between 2004–05 and 2005–06.

Lone parents who received this form of income support may also have received some income supplements, such as Family Tax Benefits Part A and B. Family Tax Benefit Part B is available to lone parents with principal care of a dependent child under 16 years or aged 16–18 years and in full-time study. It is not income or asset tested in the case of lone parents.

The number of lone parent recipients of Family Tax Benefit Part B provides an indication of the number of one parent families. The number of people receiving this benefit as a fortnightly payment decreased recently, from a peak of 604,000 in June 2005 to 592,000 in June 2006.

Changes to eligibility from July 2006

From 1 July 2006, new clients who are lone parents and whose youngest qualifying child is aged eight years or older are not eligible for Parenting Payment although they may be eligible for Newstart Allowance (aimed at unemployed people aged 19–64 years actively looking for work) or other allowances. From July 2007, lone parents receiving Parenting Payment whose youngest qualifying child is aged six years or over have a part-time participation requirement of 15 hours per week (i.e. they are required to undertake work or look for work of at least 15 hours per week and register with a Job Network Provider or undertake approved study). (This participation requirement begins when the youngest qualifying child is aged seven in the case of lone parents who were granted Parenting Payment prior to July 2006.)

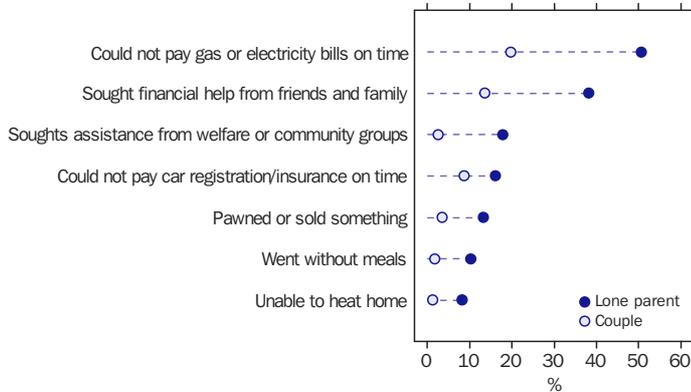
...income, expenditure and net worth

There are considerable differences between the gross household incomes of couples and lone parents with children under 15 years, but there are also differences in the number of adults and children to be provided for out of household income, and in the amount of tax paid. After removing tax payments and the Medicare levy and adjusting data to take account of the different numbers of adults and children in households, the *mean equivalised disposable household weekly income* of one-parent families with children under 15 years was 70% of that of couple families with children of this age (\$372 compared with \$534). This compared with 74% in 1996–97.

The mean equivalised weekly expenditure on household goods and services of one-parent families was 75% that of couple families with children under 15 years (\$399 compared with \$529).

A household's net worth, that is, the difference between their assets and liabilities, provides some security, enables them to borrow money, and may directly generate income. The mean net worth of one-parent family households in 2003–04 was \$129,000, considerably lower than the mean net worth of \$471,000 for couple families with children under 15 years. (See *Australian Social Trends 2006*, Distribution of household wealth pp. 145–150, for more information on household wealth.)

Parents with children under 15 years: selected indicators of financial stress(a) — 2003–04



(a) Household's situation over the last 12 months due to lack of money.

Source: ABS 2003–04 Household Expenditure Survey.

A large proportion of one-parent families have both low income and low wealth. In 2003–04, close to half (49%) of one-parent family households with children under 15 years were simultaneously in the lowest three deciles of equivalised income and of equivalised net worth. In contrast, 11% of couple families with children under 15 years were in the lowest three deciles of equivalised income and equivalised net worth (see *Australian Social Trends 2007*, Low income low wealth households, pp. 164–169).

...housing tenure

Buying, renting or owning one's home are associated with different costs and different levels of security of tenure. The family home is also the major asset acquired by most Australian households. In 2003–04, the housing tenure of lone parents was quite

different from that of couples. Lone parents with children under 15 years were most commonly renting their accommodation (64%), comprising 42% renting in the private rental market and 19% renting from a State or Territory Housing Authority and a small proportion with other rental arrangements. In contrast, couples with children under 15 years were most often buying their home with a mortgage (63%).

...indicators of financial stress

Subjective indicators such as parents' perceptions of their households' finances can add to understanding of their economic circumstances. In 2003–04, around half of lone parents and couples reported that they just broke even most weeks (57% and 52% respectively). However, lone parents were more likely than couples to report that their household spent more money than they received most weeks (31% compared with 20%) and less likely to report saving money most weeks (12% compared with 28%). Close to half of lone parents with children under 15 years (46%) reported that their household could not raise \$2000 in a week for something important, compared with 13% of couples with children under 15 years.

Consistent with the low level of economic resources of many lone-parent households, lone parents were also more likely than couples to report experiencing difficulties in the previous 12 months due to a shortage of money. These ranged from the relatively common 'could not pay electricity/gas bills on time' (reported by 51% of lone parents and 20% of couples) to the least common 'unable to heat home' reported by 8% of lone parents and 2% of couples.

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