PRESERVATION

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TE TARI MAHI

MINISTRY OF SOCIAL DEVELOPMENT
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Evaluating the February 1999

Domestic Purposes Benefit

and

Widows Benefit

Reforms:

Full Integrated Report

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This report prepared by the Department of Labour and the Ministry of Social Development integrates the findings from a series of commissioned evaluation research studies. It does not purport to represent the Department of Labour's or Ministry of Social Development's official advice on the policy implications of the evaluation.

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EXECUTIVE SUMMARY

This paper reports on the findings of the evaluation and monitoring strategy that focused on policy reforms for Domestic Purposes Benefit (DPB) and Widows Benefit (WB) recipients, effective from 1 February 1999. Increased participation in employment was the primary means by which the reform objectives were to be achieved.

The reforms involved changes to reciprocal obligations, facilitative assistance, abatement rules, financial incentives and childcare subsidies.[1] The reforms had the following objectives:

- increase beneficiary participation in the labour market (aiming for sustained employment and increased income)
- reduce long-term benefit receipt
- reduce the number of children raised in long-term benefit-dependent families
- reduce fiscal costs over time.

The evaluation and monitoring strategy, as requested by the Government, was established at the end of 1998 to evaluate the effect of the reforms on sole parents and their families. Information collected from a number of inter-related projects in the strategy has been used to assess the impact of the policy reforms and to improve policy and delivery over time. The Department of Labour (DOL) and the Ministry of Social Development (MSD)[2] were jointly responsible for the evaluation and monitoring strategy.

Context

The evaluation and monitoring strategy took place at a time when:

- there were other policy changes affecting DPB and WB recipients (e.g. Family Tax Credits, Benefit Fraud Campaign, the introduction of the Community Wage)
- there was considerable disruption to the agency responsible for delivering benefits and services to DPB and WB recipients. The creation of the Department of Work and Income (DWI) on 1 October 1998 brought together the former New Zealand Employment Service, the Income Support Service and the Community Employment Group
- the unemployment rate was falling steadily (as employment growth has been stronger than labour force growth)
- the long-term trend of increased female labour force participation continued. Over the past two years, female full-time employment growth has been stronger than that for males, while male part-time employment growth has been higher than that for females.

Findings

1. The DPB and WB populations

Eighty percent of DPB recipients are aged between 20 and 40. The majority (85%) had responsibility for one or two dependent children.

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[1] Refer to Table 1 in the main body of the report for information on each aspect of the reform package.

[2] The Ministry of Social Policy and the Department of Work and Income were separate agencies at the beginning of the evaluation and monitoring strategy in October 1998 but on 1 October 2001 they merged to become the Ministry of Social Development.

Decline in numbers of DPB and WB recipients

There has been a steady decrease in numbers receiving the DPB and WB. For DPB recipients the trend has been evident since January 1998, and for WB recipients, since February 1999. By April 2001, there were 105,099 DPB recipients (a decline from 113,319 in January 1998) and 9,018 WB recipients (a decline from a peak of 9,492 in February 1999).

Māori over-represented amongst DPB and WB recipients

Māori were over-represented amongst DPB (33%) and WB (20%) recipients in relation to their proportion of the New Zealand adult population (13%). Pacific Peoples, to a lesser extent, were also over-represented amongst both DPB (8%) and WB (7%) recipients compared to the percentage found in the New Zealand adult population (5%).

DPB and WB recipients were distinct groups

The distinctness of the DPB and WB populations raises questions about the appropriateness of subjecting the two groups to the same policies. For example:

- the DPB population was considerably larger than the WB population
- the average age of DPB recipients was 32 compared with an average age of 52 for WB recipients
- almost all DPB recipients (96%) had at least one dependent child compared with only 27% of WB recipients. Most DPB recipients (87%) had a youngest child aged under 14. Consequently, slightly under half of all DPB recipients (45%) compared to almost all WB recipients (95%) were subject to either a full-time or a part-time work test
- few DPB recipients (8%) had their reciprocal obligation waived compared with 53% WB recipients, mainly on the basis of age (55+)
- WB recipients were more likely to have been in receipt of a benefit for five or more years whereas DPB recipients were relatively evenly spread across the duration bands.

Different strategies and policies may, therefore, be required to meet the needs of WB recipients, especially those close to retirement age.

2. DPB and WB recipients highly work motivated

The research found that the DPB and WB recipient population had a high level of previous work history and was generally highly work motivated. Between 20% and 30% declared earnings whilst in receipt of the benefit over the period of evaluation.[3] The evaluation and monitoring strategy research also found that DPB and WB recipients were likely to move into work if they found suitable employment. The Qualitative Outcomes Study indicated that sole parents tended to become DPB recipients only as a last resort.

3. Application of the reciprocal obligation rules and assistance to sole parents

A key finding of the evaluation was that several aspects of the DPB and WB reforms were inconsistently administered. For policies of this nature to be administered as intended, the evaluation suggests the following need to occur:

- consideration of the context in which the policy will be implemented (e.g. existing workloads of Case Managers, other changes affecting the delivery agency)
- the policy being operationally feasible and able to be clearly translated from the policy agencies through the operational agency and on to the benefit recipient
- sufficient time and resources allowed to implement new programmes and policies
- clear communication of the changes affecting benefit recipients through a variety of sources so that recipients are aware of the changes and how they are affected.

The evaluation work showed the 1999 reforms were hindered by a number of factors including the complexity of the policy, major organisational reforms occurring within the agency responsible for the

[3] Administrative data, which included declared earnings, was collected over the period from June 1996 to April 2001.

roll-out of the changes, restricted and difficult time frames, and varied application of delivery of the changes. As a result it is difficult to confidently attribute outcomes to specific policy changes.

More specifically with regard to the reciprocal obligations:

- several of the evaluation projects found that awareness of the reforms was greatest among sole parent beneficiaries subject to the requirement to find full-time work, those who had been on the benefit for longer, and Pākehā/Other respondents. This suggests the methods of informing recipients of their work test obligations were less effective for some groups. It was noted that letters were not an effective means of communicating with all clients, especially Māori and Pacific clients.
- Case Managers interviewed said they put most emphasis into working with the full-time work tested group. Case Managers interviewed said that they spent minimal time discussing work preparation options with clients in the non-work tested group[4] unless the client specifically requested training or employment assistance. Some sole parent beneficiaries in the Qualitative Outcomes Study reported either never having had an annual planning interview or that the interview was very brief. The survey of sole parents who left the benefit for employment found that sole parents in the non-work tested group were least likely to be aware of what the reforms had required of them. The process evaluation stated that high caseloads (e.g. 220 to 280 clients)[5] and the fact no employment outcome is required from the non-work tested group contributed to staff rationalising the time they spent with clients in this way.

The evaluation also found inconsistent application of many of the assistance measures introduced to assist sole parents to enter and remain in employment. There was low awareness amongst some staff interviewed of many of the assistance measures introduced to assist sole parents to enter and remain in employment.

The evaluation findings suggest that sole parents were not always aware of the assistance they may be eligible for or entitled to when they leave the benefit.[6] Interviews with Case Managers along with DPB and WB recipients revealed that recipients were not informed of the measures in a consistent manner by Case Managers. Rather than explain the full range of available assistance measures (including the benefit reform package of measures) most Case Managers interviewed proffer the information they feel is relevant to the client and place the onus on clients to make contact with them should they encounter any difficulties.

Considerable implementation issues meant that the Out of School Care and Recreation (OSCAR) subsidy,[7] OSCAR Development Assistance (OSCAR DA),[8] did not operate as intended.[9] As a consequence, access to and supply of childcare did not expand to the level anticipated. There were a number of reasons for this including difficulties with computer payment systems, implementation occurring within a period of major restructuring for DWI, lack of staff training, problems with recruitment of providers and contracting of services, and deficiencies in funding (e.g. funding was not sufficient for the OSCAR subsidy).

The Post-Placement Support (PPS) pilot[10] did not operate as intended due to a range of factor, for example:

- insufficient resources to provide the PPS service

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[4] They were required to meet with their Case Manager annually to discuss steps to prepare them for work.

[5] DWI Head Office reported that Case Managers had, on average, 195 cases as at August 2001. Interviews with Case Managers for DPB and WB evaluation and monitoring strategy were conducted in July 2001.

[6] As part of the reforms a range of measures was implemented to provide financial incentives or address disincentives for sole parents to enter employment (refer to Table 1 in the main body of the report). Sole parents also became eligible for the full range of employment programmes and assistance available to other job seekers.

[7] The OSCAR subsidy increased assistance for before- and after-school as well as holiday care for low-income parents/caregivers with eligible children. Refer to Table 1 in the main body of the report for more information.

[8] Development assistance funding ($3.15 million) was to be invested over a two-year period from 1 February 1999 to generate a sustained and accessible set of OSCAR providers and services in disadvantaged communities.

[9] DWI reported they have put considerable effort into resolving these issues since the OSCAR subsidy and OSCAR DA were introduced.

[10] PPS was a pilot programme designed to support sole parents who had left the benefit to remain in employment.

- difficulties with identifying clients who met the eligibility criteria to participate in PPS and in making contact with clients to invite them to participate in PPS
- difficulties with encouraging people who were no longer clients of DWI to remain in contact in order to receive PPS.

The inconsistent administration of assistance measures, leading to their uneven usage and availability to sole parents, is likely to have reduced their effectiveness in mediating barriers to sole parents entering and sustaining employment.

4. Outcomes for sole parents and their families following the February 1999 reforms

There was an increase in the number of sole parents moving off the benefit following the February 1999 changes.

Overall, an analysis of administrative data shows that the proportion of sole parents being off the benefit after February 1999 increased. The size of the increase was greatest for those with a youngest child aged 14 or over at entry. However, the increase in non-receipt was also pronounced for those with younger children not targeted by the full-time work test (i.e. those subject to the part-time work test or to no work test). The reforms may have had a signalling effect, which led to wider than expected changes in full-time employment propensities. General improvements in employment conditions and other policy changes (e.g. changes in abatement rates) may have caused some of the shift. It is not possible to isolate with certainty the respective impacts of the 1999 reforms and these wider changes (Ball and Wilson, 2000).

This finding from the administrative data analysis was consistent with the results from the survey of sole parents who left the benefit for employment, which indicated that sole parents with a youngest child aged 14 or over were most likely to report the reforms had had some impact. It was also consistent with the finding that staff placed greater emphasis on the full-time work tested groups.

DWI administrative data indicates that since 1996, involvement in part-time work increased from approximately one-quarter to one-third amongst DPB recipients with a youngest child aged 7 to 13 and 14+ years. There does not, however, appear to have been a significant increase in part-time employment participation directly attributable to the February 1999 changes.

Most of those who moved into employment and off the benefit reported that they were better off financially, even though in some cases those gains took time to accrue.

The survey of sole parents who left the benefit for employment[11] found that half of all respondents currently in employment (51%) receive an average weekly income of between $301 and $500 after tax and after repayments of student loans and DWI advances. The survey revealed there were no significant differences in income earned by ethnicity of the respondent.

It should be noted, however, that:

- some who moved off the benefit and into employment were still on low incomes. Just over a third of respondents (34%) in the survey of sole parents who left the benefit for employment stated that they were currently receiving some form of financial support from the DWI[12]
- the financial benefits of part-time employment appear limited. Those who moved into part-time work tended to have lower average hourly rates of pay than those who moved into full-time work. Part-time workers noted that the start-up and on-going costs of work, as well as loss of income due to debt or abatements, made part-time work only of marginal financial value.

There appear to be two key factors affecting the extent to which sole parents' gain financially from moving into work. These were:

- the costs of entering employment. Childcare was a key cost for sole parents in employment

[11] Most respondents in the survey of sole parents who left the benefit for employment (86%) were working more than 30 hours per week - that is, in full-time employment.

[12] Non-beneficiary assistance such as the Accommodation Supplement and Disability Allowance are targeted at low-income earners.

- the level of debt sole parents incurred prior to employment. In the survey of sole parents who left the benefit for employment, 18% stated that more than 25% of their income after tax and DWI repayments was currently used for other types of debt repayment (e.g. credit cards, bank loans, but excluding mortgages and child maintenance). Māori were more likely to report higher levels of debt. Of concern was the finding that there was little awareness amongst staff interviewed of the 91-day debt freeze once sole parents exit the benefit.

Sole parents' movement into employment and off the benefit does appear to be beneficial for many children and families but their circumstances were fragile and their resources to deal with changes were limited.

In the survey of sole parents who moved off the benefit and into employment, 60% of respondents reported that the overall effect on their families of their obtaining paid work was positive or very positive, with only 4% describing the overall effect as negative or very negative.

However, those in employment, especially those in full-time employment, were continually seeking to manage the tension and requirements of home and employment, and recognised that the costs of paid work may exceed the benefits. Their circumstances were fragile and their resources to deal with changes (e.g. failure in childcare, health issues, job changes) in these circumstances were limited. Concern that their children's emotional, social and educational well-being was suffering, along with insufficient income to care for their children, was a key reason why people applied for, stayed on, and returned to the benefit.

5. There were significant barriers that worked against sole parents' entering and retaining employment

Sole parents entering employment faced many of the same issues as other job seekers (e.g. availability of employment, low skills and qualifications, limited or poor previous work experience, length of time on the benefit). Moreover, like many parents in paid work, they were also more affected than two parent families by the number, age and health of their children, access to childcare and the availability of employment that provided sufficient income and allowed them to meet their childcare obligations. Sole parents, however, are unique in that they face these issues alone.

Sole parents had difficulty accessing childcare that was accessible, affordable, and of a high quality.

Access to childcare was cited as a crucial factor in sole parents' decision to enter and stay in employment, education or training. Access to, and affordability of, childcare were repeatedly cited as primary issues impacting on the sustainability of paid employment for those with a youngest child under 14. Childcare was also an issue for some sole parents with older children, who felt that even at 14 or older their children required adult supervision.

The OSCAR subsidy to parents and the development assistance to OSCAR providers were established to increase access to, and the availability of, before-school, after-school and holiday care to low-income parents. These initiatives have had limited success. The take-up of the OSCAR subsidy during the first year of operation was considerably lower than that envisaged, mainly due to implementation issues. However, OSCAR services were considered valuable to those who used them:

- over a third of the parent respondents to the OSCAR parent survey reported that they did not use OSCAR services prior to taking up the OSCAR subsidy
- OSCAR does appear to be associated with increased participation in employment and education and training (e.g. participants were able to extend their hours)
- the OSCAR subsidy does increase affordability of childcare although affordability still remains a problem.

Those OSCAR providers receiving Development Assistance (DA) had considerable difficulties establishing an adequate and stable funding base for their OSCAR services. However, it must be recognised that those barriers to viability were not restricted to DA providers. This has implications for the future viability of childcare providers in low-income areas in particular.

The results of the evaluation indicate there is value for government in investing in and supporting childcare to assist sole parents to enter and remain in employment. There is a need to address issues such as the affordability of services and the sustainability of providers in low-income areas, whether through existing programmes or alternative options.

There were issues with the nature of employment available to, and obtained by, sole parents e.g. flexibility of working hours, lack of certainty, casualisation.

Sole parents were more likely to move into employment if they found suitable employment. Suitable employment for sole parents appears to be employment that provides hours that allow them to manage their family responsibilities, covers additional costs associated with employment and provides medium-term to long-term certainty.

Unlike those in full-time work, those in part-time work tended to retain their DPB and WB. As a consequence, they were less concerned with the risk that entry to paid employment might mean for a sustained income. Certainty of income was particularly important to sole parents because of their childcare responsibilities and often limited or non-existent income from other sources (e.g. child support).

The survey of sole parents who left the benefit for employment found that:

- approximately a quarter of respondents were working non-standard hours (e.g. shift work (14%), evening or night work (9%), working on-call(4%)). While comparisons are difficult, the involvement of sole parents in evening work appears to be higher than that for the total New Zealand working population (1.3%). This raises questions about work availability of sustainable employment for sole parents
- just under a quarter of respondents were in casual or temporary jobs. This has implications for DPB and WB recipients moving on and off the benefit (e.g. ease of return to benefit when work ceases). As mentioned earlier, certainty of income was particularly important for sole parents
- the availability of suitable employment was important in enabling sole parents to enter employment and to stay in employment.

6. Factors that assist in mediating the barriers that work against sole parents' entering and retaining employment

Post-school qualifications help to move people beyond low-paid work, which was often unsustainable.

Low-paid work can create financial disincentives or outweigh the benefits of employment. The results from the evaluations indicated those with no qualifications or secondary school qualifications were more likely to be earning low incomes.

There were indications that in terms of finding employment certain types of education and training were more useful than other types. In the survey of those who left the benefit for employment, 51% had a certificate or diploma (e.g. polytechnic), teaching qualification, or a university degree.[13] More than half of all respondents had undertaken some form of work-related education or training prior to coming off the DPB with courses provided through technical institutes and polytechnics being most popular, followed by university-based courses. Most survey respondents who undertook education and training prior to coming off the DPB stated it helped them get a job or a better job than they otherwise would have. Teachers College training, university courses and TOPs training were considered most useful in these respects.

The main barrier to sole parents' participating in education and training was the cost of courses, along with transportation and childcare. Some had taken out student loans but many were fearful of getting into debt as they were concerned future earnings would not cover repayments.

[13] In interpreting these results, it is important to note that no reference period was given to respondents within which they had to have completed their training prior to coming off the DPB – for example, a respondent who had been on the DPB for 15 years could have completed their training and education 14 years prior to moving into work.

Assistance measures introduced under the reforms could mediate some of the barriers to entering into and retaining employment.

Under the reforms, measures were introduced which were intended to provide financial incentives, or address disincentives, for sole parents to work (e.g. increased assistance during the initial transition to work; changes to the Child Support Act to allow access to the payment record of non-custodial parents; and increased childcare assistance). Sole parent beneficiaries also became eligible for the full range of employment programmes and assistance available to other job seekers.

The number of sole parents participating in DWI employment programmes did increase, albeit from a small base. However, the inconsistent administration of the measures (reported by Case Managers interviewed and experienced by sole parents interviewed) meant that sole parents often did not know about or had difficulty accessing the range of new assistance measures envisaged in the policy. It also meant that it was not possible to assess how successful the measures could be in mediating the barriers to sole parents' entering and staying in employment.

Assistance measures provided by DWI need to be effectively communicated to front-line staff and to recipients, adequately resourced (including resourcing delivery) and consistently applied in order to be effective in mediating barriers to employment for sole parents.

Conclusions and implications

The evaluation and monitoring strategy found that sole parents were generally highly motivated to enter and stay in employment when that employment was suitable. There was also evidence to suggest that reforms have helped create the expectation that, where possible, sole parents should be in employment once their child(ren) are over the age of six.

Those that did move into employment and off the benefit were more likely to report that they were better off financially, even though in some cases those advantages took time to accrue.

Economic conditions impact on the availability of employment for sole parent job seekers. However, the findings suggest a number of implications for policies affecting sole parents' entry to, and retention of, employment.

For the successful implementation and on-going operation of future policy initiatives affecting DPB and WB recipients the following should occur:

- there must be a strong focus on the operational feasibility of new policy when it is being developed
- the policy must be able to be clearly translated from the policy agencies through the operational agency to DPB and WB recipients
- there must be sufficient resourcing to enable full and stable implementation and on-going operation.

For facilitation of entry into employment, key areas to consider are:

- access to childcare that is affordable and available at the times and locations required by sole parents
- sole parents' acquiring post-school education and training as this assists them to move beyond low-paid jobs that are often not sustainable. This implies a continued need to encourage sole parents to participate in education and training. However, there is also a need to better understand what type of education and training is most important in sole parents' accessing employment
- practices that are tailored to meet the needs of Māori and Pacific Peoples
- developing a better understanding of the availability of employment regionally along with the extent to which there is a mismatch between the jobs available and sole parent job seekers.

For the retention of employment by sole parents, key areas to consider are:

- childcare (as mentioned above)
- access to transitional financial support for sole parents on moving into employment
- access to on-going support from DWI (e.g. supplementary benefits, other types of grants) to assist sole parents to maintain stability of income

- clear communication to sole parents of their entitlements, and between agencies providing support to sole parents in employment (e.g. IRD and DWI) to assist in reducing the level of debt some sole parents face.

The evaluation indicated there might be some negative effects for children of sole parents moving into employment. Further information is required on the extent to which:

- concerns about the welfare of children aged 14+ were preventing sole parents from moving into employment
- children under 14 years are being left at home alone while sole parents are in employment.

1. Introduction

This paper reports on the findings of the evaluation and monitoring strategy focused on the reforms to the Domestic Purposes Benefit (DPB)[14] and Widows Benefit (WB).[15] The reforms came into effect from 1 February 1999 and the evaluation and monitoring strategy was established at the end of 1998 to evaluate them. The reforms involved changes to reciprocal obligations, facilitative assistance, abatement rules, financial incentives and childcare subsidies (CAB (97) M42/16 refers).

The evaluation and monitoring strategy sought to:

- assess the impact of the DPB and WB reforms for individual DPB and WB recipients, and for children within sole parent households
- monitor changes in indicators relevant to the DPB reform objectives
- assess how the DPB reforms were implemented.

This information was used to assess the impact or otherwise of the policy reforms (particularly against the intended policy outcomes) and to improve policy and delivery over time.

1.1 Structure of this report

The remainder of this report is structured as follows:

- Section 1 briefly outlines the background to, and objectives of, the DPB and WB reforms and DPB and WB evaluation and monitoring strategy. It also provides contextual information on policy changes affecting DPB and WB recipients along with information on recent changes in the New Zealand labour market
- Section 2 outlines the methodology
- Section 3 provides a description of the DPB and WB recipient populations
- Section 4 provides an insight into the implementation of the reciprocal obligations and assistance provided to sole parents as part of the DPB and WB reforms
- Section 5 explores the dynamics associated with sole parents' entry into employment
- Section 6 examines the outcomes for sole parents and their families following the DPB and WB reforms
- Section 7 examines the sustainability and retention of employment by sole parents
- Section 8 examines outcomes for children and families following the reforms
- Section 9 examines the impact of the reciprocal obligations on the behaviour of DPB and WB recipients
- Section 10 draws together some implications arising from the findings of the DPB/WB evaluation and monitoring strategy
- Section 11 References.

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[14] The DPB, when introduced in 1973, provided financial assistance for all categories of non-widowed sole mothers, separated or divorced men and widowed sole fathers. Coverage was also extended to older women without children (whose past caring responsibilities reduced their ability to support themselves in paid work); and people providing care to other dependants (who would otherwise be institutionalised). The rationale for providing statutory income support was the recognition that the loss or absence of a husband's support, or generally in the case of sole fathers the absence of someone to care for their children, placed sole parent families at risk of poverty (Goodger, 1998). The aim of the DPB policy was to provide an adequate level of income that would enable parents to provide full-time care for their children.

[15] The initial widow's benefit was introduced in 1911. There have been a number of changes to policies affecting widows over the years. Refer to Table 2: Chronology of DPB and WB policy changes and the evaluation timeline - 1911 to October 2001.

1.2 Objectives of the DPB and WB reforms

Cabinet agreed to a package of changes to policy for DPB and WB recipients (effective from 1 February 1999) which had the following objectives:

- increased beneficiary participation in the labour market (aiming for sustained employment and increased income)
- reduced long-term benefit receipt
- reduced number of children raised in long-term benefit-dependent families
- reduction in costs over time.[16]

The reform package consists of several different elements, namely changes to reciprocal obligations, facilitative assistance, financial incentives and childcare subsidies. These are summarised in (Table 1).

Table 1: Summary of the DPB and WB reform package

Changes	*Description*
Changes to reciprocal obligation rules	Set up an expectation of a return to work by having: when the youngest child is aged 0-5 - an annual work preparation interview, when 5-6 - involvement in one employment preparation activity, when 7-13 - a test for part-time work, and 14 and over (or no children) - a full-time work test
Alignment of abatement[17] and work testing rules	Those eligible for the full-time work test will now also face the full-time abatement regime
Increased funding for facilitative measures	To a) cope with increased demand[18] for existing support (e.g. case management and job search assistance), and b) for new initiatives (e.g. a post-placement support pilot, and enhanced assisted job search measures)
Measures which provide financial incentives, or address disincentives, for sole parents to work	During the initial transition to work - access to an employment transition grant (to cover any loss of income due to lack of paid sick leave during the first 6 months), and a 91-day period (after cancellation/suspension of benefit) where debt repayment is frozen Changes to the Child Support Act to allow access to the payment record of non-custodial parents (alerting custodial parents to the potential amount they could receive directly once off benefit) Increased childcare assistance e.g. a cash subsidy (up to $1.80 per hour for children aged 5-13 attending an approved out-of-school care (OSCAR) programme) and establishment of funding for out-of-school care services in low-income communities

These measures extended the Government's expectations of sole parents' return to work. The changes were motivated by long-standing concerns about the rising number of sole parents and children dependent on the DPB; the rising fiscal burden of benefit provision; and the incentive effects of the benefit system on sole parents' levels of employment.

The changes reinforced messages that taking part in paid work underpins economic independence and that work expectations and income support obligations should be linked to a person's capacity and ability to work.

These changes were consistent with the general direction of changes to welfare policy in the 1990s. The Employment Taskforce (ETF) was set up in 1994 to generate comprehensive proposals to *"ensure every New Zealander has the opportunity to be in paid work"* (Prime Ministerial Task Force on Employment, 1994a). As a result there were significant changes affecting sole parents receiving social security benefits. These changes included the introduction of a dual abatement regime (effective 1 July 1996) and a

[16] It was not possible to examine long-term impacts or changes in costs to government over time. Refer to section 2 Methodology.

[17] Abatement is the reduction of the amount of money that a benefit client receives in their core benefit when they are earning additional income.

[18] The new reciprocal obligations are anticipated to increase the job seeker register by approximately 16%.

reciprocal obligations policy (effective 1 April 1997). Throughout the 1990s, changes to welfare policy were designed to reduce the level of long-term benefit dependency through making employment more attractive to DPB and WB recipients, while retaining an incentive for those with a higher earning capacity to move off the benefit entirely. While some of the changes were aimed at encouraging beneficiaries into employment, some had a more punitive focus than others did (e.g. Family Tax credits compared to the Benefit Fraud Campaign).

There were also wider policy and structural changes likely to impact on DPB and WB recipients including:

- the establishment of the new agency - Department of Work and Income (DWI), delivering income support and employment services to all working age benefit recipients, which came into effect on 1 October 1998
- the introduction of the Community Wage - with explicit work test obligations and sanctions for benefit recipients (including DPB and WB recipients with school age children) - which also came into effect on 1 October 1998
- the trial payment of the OSCAR subsidies to consumers, rather than providers, over the 1-year period (1 February 1999 - 1 February 2000).

Table 2 briefly outlines the history of policy changes affecting the DPB and WB populations from 1911 to October 2001.

Table 2: Chronology of DPB and WB policy changes and the evaluation timeline - 1911 to October 2001

Date	*Policy Change*
1911	The Widow's Pension Act provides for the payment of a benefit, based on the number of children aged under 14 supported by the widow. Illegitimate, adopted children and those born out of New Zealand were excluded. A widow receiving a pension in 1911 had to be of good character. "Aliens" – that is Chinese and "other Asiatics" – were excluded from the provisions
1915	The War Pensions Act 1915 institutes a pension for the wives and children of soldiers who had died in WW1. By this time there were four different pensions available for widows in different circumstances. Widows were categorised according to the "degree of sacrifice made by their husbands" (Beaglehole, 1993:25)
1938	The Social Security Act 1938 grants a widow's benefit for the first time to widows whose children were no longer dependent, as well as to widows who had never had children. Special rules were put in place regarding provisions for Māori widows. Those who had traditional rights to land were either declined the pension or received it at a lower rate (Beaglehole, 1993). In the years following the Social Security Act 1938, widows with children were entitled to higher rates of income exemption than other beneficiaries
1973	The DPB, is introduced, providing financial assistance for all categories of non-widowed sole mothers, separated or divorced men and widowed sole fathers[19]
1987	The WB is extended to women whose de facto husbands had died
Apr 1991	The rate of the WB is reduced by 17%, with the majority of benefit rates being adjusted downwards
Oct 1995	Government's response to the Employment Task Force (ETF) is announced
	Compass[20] programme is extended nationwide
Apr 1996	National roll-out of customised service and activity agreements begins
May 1996	Government's response to the Employment Task Force is passed into law
Jun 1996	Beginning point for collection of administrative data for the evaluation and monitoring strategy
Jul 1996	Dual abatement regime takes effect - a more generous benefit abatement regime for DPB and WB recipients was introduced which allowed for a greater share of earnings to be retained by beneficiaries before benefits were reduced (effective 1 July 1996). The July 1996 abatement changes were intended to increase part-time participation in the labour market by DPB and WB recipients by pushing the abatement-free ceiling up to $80/week, and abating only income over $180 at more than 30 cents in the dollar[21]
	Independent Family Tax Credit is introduced
	Rates of Family Support are increased
	First round of tax cuts takes effect
	Secondary tax rate applying to earnings on top of benefit is reduced
Apr 1997	Employment Task Force reciprocal obligations are rolled out. DPB and WB recipients whose youngest child was aged 14 years or over, were required to undertake part-time (at least 15 hours per week) paid employment or training as a condition of receiving those benefits

[19] Coverage was also extended to older women without children (whose past caring responsibilities reduced their ability to support themselves in paid work); and people providing care to other dependants (who would otherwise be institutionalised). The rationale for providing statutory income support was the recognition that the loss or absence of a husband's support, or generally in the case of sole fathers the absence of someone to care for their children, placed sole parent families at risk of poverty (Goodger, 1998). The aim of the DPB policy was to provide an adequate level of income that would enable parents to provide full-time care for their children.

[20] Compass assists sole parent beneficiaries to take steps towards employability in workforce participation by providing them with individual career counselling and help to access childcare, education, training and employment opportunities. Those eligible are sole parents in receipt of the DPB or the Widows Benefit, particularly those who have been on the benefit for 1+ years and whose oldest child is 7+ years old.

[21] It should be noted that the easing of the abatement rates for DPB and WB recipients created additional incentives to be on these benefits compared to CW-JS.

Table 2 (Continued)

Date	*Policy Change*
Jul 1997	The level of Independent Family Tax Credit is increased
	Further increases to rates of Family Support take effect
Aug 1997	The Compass programme is in place nationally and the number of places available begins to be increased to 16,000
Jan 1998	Rates of Family Support for dependent children aged 16-18 are increased
Apr 1998	The roll-out of ETF reciprocal obligations is completed
Apr–Jun 1998	IS runs an advertising campaign targeting benefit fraud
May 1998	DPB Review changes were announced as part of the Budget and passed into law soon after
Jul 1998	Further tax cuts take effect
Oct 1998	DPB and WB evaluation and monitoring strategy begins
Oct 1998	DWI is formed
	Changes to the Training Incentive Allowance are announced [22]
	The Community Wage is introduced - with explicit work test obligations and sanctions for benefit recipients (including DPB and WB recipients with school age children) which also came into effect on 1 October 1998
Jan 1999	Changes to the Training Incentive Allowance come into effect
Feb 1999	DPB Review changes take effect. Further changes to reciprocal obligations begin to be rolled out
Feb – Jun 1999	IRD runs an advertising campaign to raise awareness of Independent Family Tax Credit and Family Support among low-income working families
Feb 1999 - Feb 2000	The trial payment of the OSCAR subsidies to consumers, rather than providers, takes place over the 1-year period (1 February 1999 - 1 February 2000)
Jul 1999	PPS pilot commences in 4 regions: South Auckland, Hawke's Bay, Wellington and Christchurch
Apr – May 2000	Qualitative outcomes fieldwork is undertaken
Jun 2000	Cabinet directs officials to review the employment-related obligations of DPB and WB recipients and of spouses of beneficiaries
Jun – Jul 2000	PPS qualitative interviews with participants and providers are conducted
Oct – Dec 2000	OSCAR qualitative interviews with providers and parents are conducted
Jan – Feb 2001	OSCAR provider survey is undertaken
Feb 2001	Survey is undertaken of sole parents who left the benefit in the 8 months prior to Feb 2001
Feb – May 2001	OSCAR parent survey is undertaken
Apr – May 2001	Qualitative outcomes fieldwork is undertaken
Apr 2001	End point for collection of monitoring data for the evaluation
Jul 2001	Process evaluation is undertaken
October 2001	DPB and WB evaluation and monitoring strategy is completed

In 2000, further policy review work was initiated on the employment-related obligations of recipients of DPB and WB and of spouses of beneficiaries. Interim findings from the present evaluation and monitoring strategy were a source of information for this policy review.

1.3 Evaluation and monitoring strategy objectives

Information collected in this evaluation and monitoring strategy has been used to assess the impact or otherwise of the policy reforms (particularly against the intended policy outcomes) and to improve policy

[22] From 1 January 2000 all people who qualify for the TIA were entitled to receive up to a maximum of $3,000 per year to cover fees, course costs, childcare and transport. Between 1 January 1999 and 1 January 2000 those entitled to the TIA were required to fund 40% of their course fees and course costs either through a student loan or privately.

and service delivery over time. The Department of Labour and the Ministry of Social Development[23] were jointly responsible for the strategy.

The objectives of the evaluation and monitoring strategy were to describe any operational problems that had arisen and/or improvements that had been made during the implementation of the benefit reforms and to assess:

- the impacts of the DPB and WB reforms on outcomes for DPB and WB recipients
- the take-up of, and outcomes for, assistance measures and other incentives to DPB and WB recipients
- the outcomes and impacts of DPB and WB reforms for children in sole parent beneficiary families
- the extent to which the implementation of the reforms met policy and legislative requirements
- the appropriateness of the menu of assistance available for DPB and WB recipients
- beneficiaries' perceptions and experiences of the different elements of the DPB and WB reforms
- the impact of the DPB and WB reforms on costs to the Government over time[24]
- how well the intended policy objectives had been met (as an overarching objective).

In developing the evaluation objectives, a number of key assumptions were made about the underlying reasons for carrying out the DPB and WB reforms. The following were assumed to underpin the Government's expectation that DPB and WB recipients move into paid work:

- the idea that work is a desirable social and financial good with important positive benefits for individuals and families, including improved life outcomes for children when sole parents and their families are no longer reliant on a benefit
- concerns about the numbers of sole parents and children dependent on the DPB and WB
- concerns about the increasing cost of benefit provision; and the incentive effects of the benefit system.

There were also assumptions about the benefits to DPB and WB recipients of moving into paid work. The key assumption was that participation in paid work ultimately underpins economic independence and has positive effects for individuals and families. Some benefits include increased income, reduced risk of social isolation and exclusion, improved levels of confidence and self-esteem, improved living standards and improved life outcomes for children. The corollary to this is that living in a low-income family for an extended period of time increases the risk of negative outcomes for children. There are conflicting views on the degree to which income level influences outcomes, and what constitutes a low income.[25] However, even the most conservative research findings show that a relationship between income and child outcomes exists to some degree.

Other assumptions that influenced policies put in place were that:

- the policy of work testing DPB and WB recipients and the altered abatement regime would create an expectation that income support was transitional and that DPB and WB recipients would move into paid work when children reached school age. (A policy that allowed some sole parent beneficiaries to be exempted from the work test requirements was recognition that not all sole parents would be able to move into work once their youngest child reached a certain age.)
- suitable paid work is available for many DPB and WB recipients, and that most are capable of undertaking some paid employment
- work expectations and obligations should be linked to an individual's capacity to work. Related to this idea was the assumption that the sole parent beneficiary population is diverse, facing different types of barriers to gaining paid employment (e.g. childcare, qualifications, recent work experience, and regional labour market conditions). Based on this assumption, several approaches were made available to assist DPB and WB recipients into employment.

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[23] The Ministry of Social Policy and the Department of Work and Income were separate agencies at the beginning of the evaluation and monitoring strategy but on 1 October 2001 they merged to become the Ministry of Social Development.

[24] Refer to section 2.2.2 Limitations of the evaluation and monitoring strategy.

[25] Some studies suggest that more than half the disadvantage experienced by children in sole parent families is the result of their living on a low income (e.g. see McLanahan and Sendefur, 1994). At the other end of the scale, there is research that indicates that while income is the major influence on outcomes for children up to the point where basic material needs are met, beyond that point other factors become more important (e.g. see Mayer, 1997).

2. Methodology

This section outlines the methodological approach adopted in the evaluation and monitoring strategy.

2.1 Mixed-method approach

This evaluation used a mixed-method approach to address the evaluation questions outlined in section 1.3 Evaluation and monitoring strategy objectives. This approach provided both the detail and the dynamics of situations for DPB and WB recipients. Information was collected on the broader population of DPB and WB recipients with dependent children[26] as well as their experience of specific programmes.

A number of inter-related projects were developed to address evaluation and monitoring strategy objectives. The projects included:

- a shorter-term qualitative outcomes study
- a national survey of sole parents who left the benefit for employment
- a limited evaluation of the Post-Placement Support pilot[27]
- evaluations of the OSCAR[28] subsidy and OSCAR Development Assistance
- a limited evaluation of the implementation of the DPB and WB reforms
- an analysis of DWI administrative data.

The evaluation and monitoring strategy relied primarily on administrative data and focused short-term research.

The inter-related projects reported on findings for respondents using the following key variables:

- **ethnicity**: The sub-groups were Māori, Pākehā/Other, and Pacific Peoples. It is important to note that in the primary research Other refers to Pākehā and all other respondents not identifying as Māori or Pacific Peoples. However, the analysis of administrative data distinguishes between Pākehā and all other respondents not identifying as Māori or Pacific Peoples. The latter group is referred to as Other
- **the age of the youngest dependent child**: There were three sub-groups based on the age of the youngest child: 0-6 years, 7-13 years, and 14 years and over. These groups were the same as those used to define the reciprocal obligations that DPB and WB recipients are subject to. When the youngest child is aged:
    - 0-6 years DPB and WB recipients are required to participate in employment. Recipients with a youngest child aged 0-5 years are required to undertake an annual work preparation interview and when the youngest child is aged 5-6 years sole parent beneficiaries are required to participate in one employment preparation activity
    - 7-13 years DPB and WB recipients are subject to a test for part-time work
    - 14 years and over (or no dependent children) DPB and WB recipients are subject to a full-time work test. Note: sometimes the work test categories are used to describe the sub-groups instead of age of youngest child (e.g. "the full-time work tested group" instead of "youngest child aged 14 years and over")

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[26] Dependent children are defined as those under the age of 18 years. Some DPB and WB recipients are not caring for dependent children. They were not included in the evaluation. To get the DPB, a person needs to be a sole parent, or a caregiver of someone sick or infirm, or an older woman living alone. A "sole parent" is defined as a parent of a child under 18 who lives with them, and a client who is not living with the other parent or a partner, and a client who is 18 or over (or 16-17 if they were legally married). A person who is "caring for someone sick or infirm" is defined as a client over 16 and caring full-time for someone who would otherwise need to be in hospital. This person can't be the client's partner or dependent child. The definition of "older woman living alone" is a client who has "become alone" after age 50 and after caring for children for at least 15 years, or caring full-time for a sick relative for at least five years, or being supported by her partner for at least five years (but partner or client must have lived in New Zealand for some years).

[27] PPS was a small pilot service to assist sole parents who are relinquishing their DPB to move into employment, by providing them with an on-going support service to ease the transition.

[28] OSCAR is an acronym for Out of School Care and Recreation.

- **benefit type**: The evaluation focused on DPB and WB recipients with dependent children. A distinction was made between DPB and WB recipients. The findings for WB recipients have been reported on separately and not to the same level of detail as the findings for DPB recipients. This approach was taken because:
  - WB recipients make up only a small proportion of the sole parent beneficiary population
  - the WB recipient population is very different to the DPB recipient population (refer to section 3)
  - the findings on the WB recipient population are primarily derived from administrative data and a small number of interviews undertaken as part of the qualitative outcomes research.

2.1.1 Description of the projects

The table below provides a summary of the methods used in the projects.

Table 3: Methods of data collection

Projects	*Methods of data collection*					
	Key stakeholder interviews	*In-depth interviews*	*Structured interviews*	*Focus groups*	*Analysis of administrative data*	*Literature review, review of documents*
Shorter-term *Qualitative Outcomes Study*		✓(mostly face-to-face but some telephone)				
National survey of sole parents who left the benefit for employment			✓(telephone)			
Evaluation of the Post-Placement Support pilot		✓				✓
Evaluations of the OSCAR subsidy and OSCAR Development Assistance	✓		✓ (face-to-face interviews; self-complete, postal questionnaires)	✓		
Limited evaluation of the implementation of the DPB and WB reforms				✓		
Monitoring reports					✓	
Literature review						✓

Refer to **Appendix One** for further information on the methods used in the evaluation and monitoring strategy.

2.2 Strengths and limitations of the evaluation and monitoring strategy

2.2.1 Strengths of the evaluation and monitoring strategy

The strengths of the methodological approach adopted for this report were as follows.

Interagency evaluation team: The team working on the evaluation and monitoring strategy was drawn from members of the evaluation teams in the Ministry of Social Development[29] and the Department of Labour. This allowed for a range of perspectives on all aspects of the evaluations to be debated, strengthening the quality of the evaluations contributing to the strategy.

[29] As of 1 October 2001, the Ministry of Social Policy and the Department of Work and Income became one agency - the Ministry of Social Development.

External advice and peer review: An international external evaluation expert[30] was employed to assist the interagency team, drawing out the key themes emerging from the various projects under the evaluation and monitoring strategy and developing ideas on how best to report the data and structure the final report. Dr David Turner[31] was also employed to review the final report.

Mixed-method approach: Through the mixed method approach a range of data sources was used to address questions in the evaluation and monitoring strategy. This approach reduces the uncertainty of the findings because, rather than relying on one source of data, findings are supported by a number of sources of data.

Size of the study: The DPB and WB evaluation and monitoring strategy was one of the largest pieces of New Zealand research looking at the DPB and WB populations. The strategy has attempted to look comprehensively at the entry into and retention of employment, along with the extent to which sole parents were financially better off after entry into employment.

Longitudinal component: A strength of the qualitative outcome evaluation was that researchers went back to the same respondents approximately one year after the first interview. This allowed the researchers to examine the extent to which there had been changes in the circumstances of sole parents in employment.

Use of external researchers: The evaluation and monitoring strategy used external researchers in a number of the evaluations. This allowed the interagency team to utilise skills and resources that were not available within the agencies. For example, the agencies did not have the resources (e.g. time and people) to conduct a national survey of sole parent beneficiaries who left the benefit for employment.

The use of external researchers also provided a degree of impartiality to the research process. While respondents were told who the research was being conducted for, steps were taken so the agencies could not identify individual respondents.

Richness of the data collected from difficult-to-reach populations: There were two aspects to this:

- Māori and Pacific Peoples: Early on the importance of collecting data on Māori and Pacific sole parent beneficiaries and ex-beneficiaries was recognised. All of the evaluations report findings by ethnicity. Specific strategies were employed to ensure that data on Māori and Pacific Peoples was collected and analysed. For example:
    - evaluation plans prescribed the collection of data by ethnicity
    - Māori and Pacific populations were over-sampled to ensure there were sufficient respondents to undertake meaningful analysis
    - external researchers were employed with experience in working with Māori and Pacific Peoples, especially those on a benefit
    - different recruitment strategies were employed to obtain respondents (e.g. telephone, post, local community-based networks such as churches, social services and iwi networks)
    - in a number of evaluations that used interviews to gather data, Māori and Pacific sole parents were given the option of being interviewed by interviewers from the same ethnic group. In the qualitative outcome study, for example, the ability of interviewers to converse in the language of preference of the interviewee was particularly important with Pacific interviewees (for some of whom English was a second language). Interviewees were also a given a choice in

[30] Lois-Ellen Datta has worked in evaluation at Federal level for the US Government for 30 years. She has been the Director of various organisations. For example, she has been the Director of Evaluations for Head Start and the Children's Bureau Research programme; Director of Research on Teaching, Learning and Assessment for the US Department of Education; and Director of the US General Accounting Officers Programme Evaluation and Methodology Division in the human services area. As a result she has worked across a broad range of areas in national programmes related to health care, quality housing, employment, public assistance, welfare, tax incentives, immigration and education.

[31] Dr David Turner has worked in evaluation at Federal level for the US Government and is currently on leave for a year from his position as the Manager of Research and Evaluation at the Labour Market Policy Group, Department of Labour.

terms of where the interview took place (e.g. at their home, a local DWI office, etc) and, in some instances, how the interview occurred (e.g. telephone, face-to-face)

- sole parent beneficiaries and ex-beneficiaries: Sole parent beneficiaries, as with any marginalised group, can be difficult to gather data from. Potential respondents can be very difficult to find and unwilling to participate in interviews. This was recognised at the outset and efforts were made to employ external researchers with considerable experience in undertaking research with the unemployed and sole parents in particular. This was reflected in the quality of the data collected.

2.2.2 Limitations of the evaluation and monitoring strategy

There were a number of factors (e.g. time scale, funding, available data, and ethical considerations) which imposed limitations on the monitoring and evaluation strategy. In some cases these limitations reduced the ability to report on some aspects of the evaluation and monitoring strategy (e.g. outcomes for children and families, longer-term outcomes). The main limitations (listed below) relate to difficulties in isolating the effect of the reforms on outcomes, difficulties in assessing long-term impacts (particularly on children), and difficulties in obtaining information on sole parents who exit from the benefit system.

Inability to measure the impact of each component of the reforms: As the components of the DPB reforms (reciprocal obligations, facilitative assistance, financial incentives and childcare subsidies) were all introduced together, and were intended to work as a package, it was not possible to quantify the relative impact that each element had on overall outcomes. However, it was possible to describe the characteristics of, and outcomes for, people who were affected by different elements.

Inability to measure long-term outcomes for sole parents and their children: The DPB benefit reforms were based on the premise that the components of the reforms, in conjunction with a wide range of other factors, will have long-term positive effects on life outcomes for parents and their children. However there were major difficulties in assessing these long-term outcomes.

Firstly, the time frame for the evaluation and monitoring strategy was only three years.

Secondly, assessing long-term outcomes for parents was problematic because the primary data source (administrative data) does not fully capture changes in outcomes and experiences (e.g. type of employment, earnings, labour market status) for parents no longer receiving a benefit. Only limited short-term outcomes (0 to 2 years) could be gained through the Qualitative Outcomes Study.

There was no existing survey data to allow a comprehensive assessment of the impact of the DPB reforms on children and families. The most methodologically robust option for assessing long-term outcomes was to undertake a longitudinal survey. However, over the long term it would have been difficult to separate out the impact of the DPB reforms from other factors (e.g. new policies, changes in economic conditions). Longitudinal surveys are also very expensive to undertake.

Difficulty in attributing outcomes to DPB reforms: The evaluation and monitoring strategy was commissioned to report on the outcomes for sole parents following the 1999 reforms. While the report will provide detail on observed outcomes for sole parents, it is limited in the degree to which these outcomes can be attributed directly to reform changes. Variable implementation of aspects of the reforms significantly limits the ability to causally link observed outcomes with the reforms since it is not possible to know precisely what is being tested by the evaluation **(refer to section 3)**. The ability to attribute outcomes to the reforms is also confounded by:

- the impacts of other interventions such as the Benefit Fraud campaign
- the relatively short period of time that DPB and WB recipients have been exposed to the new regime[32]
- on-going changes in the economy and the employment outlook.

Difficulty testing the concept or theory underlying the DPB and WB reforms: In order to test the theory behind the DPB and WB reforms, full, stable implementation over time was required. As

[32] Refer to section 1.2 Objectives of the DPB and WB reforms, especially Table 2.

mentioned above, this did not occur. Some aspects of the reforms were very poorly implemented, severely limiting commentary on the efficacy of the reforms.

Inability to measure costs to government: It was not possible to measure the impact of the reforms on costs to government over time. Over the past two years, work has been underway to improve our ability to assess the impact of employment programmes on the costs to the Government. However it is very difficult to measure the impact of broad policy changes such as the DPB and WB reforms. Refer to the comments on attribution and the difficulties of measuring the impact of components of the reforms, above.

3. Description of the DPB and WB populations

This section describes the DPB and WB populations across a range of variables. These include benefit dependency and demographic characteristics (e.g. gender, ethnicity, and number of children) along with regional differences and numbers subject to, and exempt from, reciprocal obligations.

The DPB and WB populations are described separately because it was clear from the DWI administrative data that they were distinctly different groups.

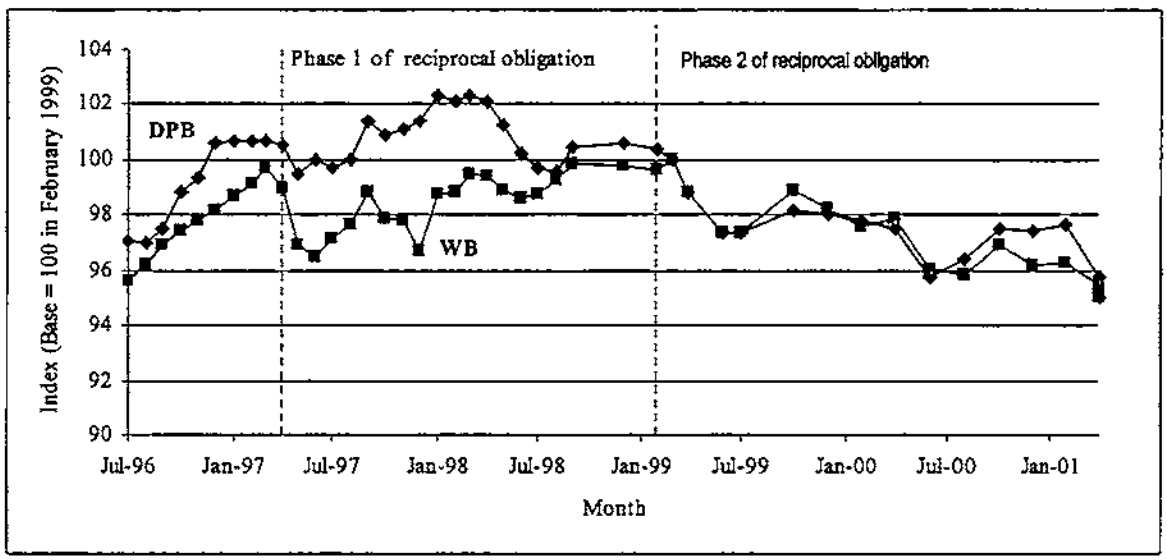
The description of the DPB and WB populations is based largely on DWI administrative data and, where available, data from the 1996 Census, which is used in the report to make comparisons with the profile for the DPB and WB recipient populations.[33]

3.1 DPB recipients

3.1.1 Benefit dependency and duration

The number of DPB recipients steadily increased from July 1996 until March 1997 (Figure 1). From April 1997 until January 1999, the number of DPB recipients per month continued to increase, reaching a peak of 113,319 in January 1998. However, from January 1998 the number of DPB recipients has steadily declined to 105,099 in April 2001.

Figure 1: Index of change in DPB and WB populations



1: part-time work and training requirements for recipients with children aged 14 years and older and annual interview for those with youngest child aged between 7 and 13 years.
2: full-time work and training requirements for recipients with children aged 14 years and older and part-time work and training requirements for those with youngest child aged between 7 and 13 years. Recipients with a child under 6 attend an annual interview.
Base: 100 February 1999 - 110,712 DPB and 9,492 WB
SOURCE: DWI administrative data, 2001

The duration[34] profile of the DPB recipient population is evenly spread across the duration bands (Table 4). However, as Table 5 indicates, the proportion of DPB recipients who have been on the benefit for five years or more has fallen since the latter half of 1996.

[33] At the time of report preparation the finalised 2001 Census data was unavailable.

[34] Duration is measured at the end of each month that the person is on the benefit, and does not represent information on recipients' time on the benefit at exit.

Table 4: Description of DPB populations

Group	*Characteristic*	*1996 Census (%)[1]*	*DPB (%)[2]*
Sex	Male	-	8
	Female	-	92
Ethnic group[3]	Māori	13	33
	NZ European/ Pākehā	59	44
	Pacific Peoples	5	8
	Other[4]	19	5
	Not Coded[5]	4	11
Age	Under 20 yrs	11	3
	20-29 yrs	23	38
	30-39 yrs	24	41
	40-49 yrs	21	12
	50-59 yrs	15	4
	60+ yrs	6	1
Age of youngest child	No Child / Age unknown	-	8
	0-5 yrs	-	55
	6-13 yrs	-	32
	14+ yrs	-	5
Number of dependent children [6]	None		73
	1		14
	2		8
	3		3
	4 or more		1
Duration on benefit	6 months or less	-	15
	>6 mths-12 mths	-	12
	>1yr-2 yrs	-	18
	>2 yrs-3 yrs	-	13
	>3 yrs-5 yrs	-	16
	>5yrs	-	26

1: Census includes all females and males aged 15 to 64 years.
2: Average number per month of DPB recipients for the period June 1996 to April 2001. DPB at 109,433 recipients per month.
3: Comparison between census and DWI administrative data is difficult because the coding protocols differ.
4: Includes: Asian, Indian, Other European groups and South American groups and some Pacific groups not individually captured.
5: Ethnicity was not a mandatory field on the income database. As a result, not all recipients have an ethnicity coded to them.
6: Is a child under the age of 14 years for whom the recipient has sole care-giving responsibility.
SOURCE: DWI administrative data, 2001

Table 5: DPB recipients by duration of benefit receipt, June 1996 - April 2001

	Benefit Duration					
Period	6 months or less %	> 6 - 12 months %	> 1 - 2 years %	> 2 - 3 years %	> 3 - 5 years %	> 5 years %
Jun 96-Dec 96	15	12	17	12	15	28
Jan 97-Jun 97	18	11	17	12	15	27
Jul 97-Dec 97	17	15	16	12	15	26
Jan 98-Jun 98	16	14	19	11	15	25
Jul 98-Dec 98	15	13	22	11	15	25
Jan 99-Jun 99	15	12	20	14	14	25
Jul 99-Dec 99	14	12	19	16	14	24
Jan 00-Jun 00	15	11	18	15	16	24
Jul 00-Dec 00	15	12	18	14	18	23
Jan 01-Apr 01	15	12	17	13	20	23

SOURCE: DWI administrative data, 2001

3.1.2 Demographic characteristics of the DPB population

3.1.2.1 Gender and age of DPB recipients

DPB recipients were predominantly female (92%). This contrasts with females making up 51% of the working age population.[35]

DPB recipients were concentrated in the child rearing age group 20 to 40 years, with 79% within this age, compared with 47% for New Zealand working age population (Table 4). The average age of DPB recipients was 32 (refer to Appendix Two, Table 102).

3.1.2.2 Ethnicity of DPB recipients[36]

As Table 4 shows, Māori, and to a lesser extent Pacific Peoples, were over-represented among DPB recipients relative to the general population. In addition:

- Māori and Pacific DPB recipients include slightly more men (Māori 10.1%, Pacific 9.2%, Pākehā 7.4%)
- Māori and Pacific DPB recipients were younger than Pākehā, with a higher proportion of DPB recipients aged less than 30 years (Māori 51%, Pacific 45%, Pākehā 37%, Other ethnic 26%). The average age of Māori DPB recipients was 31 years
- Pacific Peoples had slightly more children than the other three groups
- Pacific Peoples had a younger youngest child - four years, six months compared to five years, seven months for Pākehā and Māori.

There was little difference in duration of DPB receipt across the ethnic groups. Amongst DPB recipients, Māori were proportionately more likely to have been receiving the benefit for more than five years (42%), followed by Pacific Peoples (35%), Pākehā (34%) and Other (28%).

However, the high proportion of uncoded ethnicity constrains the extent to which comparisons can be made between ethnic groups. For example, a very high percentage of recipients with benefit duration's greater than five years were not coded (50% in DPB).[37] If the uncoded recipients were representative of those who have been coded, then the proportion of Māori in this duration band would be higher.

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[35] 1996 Census data, for people aged between 15 and 64.

[36] For additional demographic information refer also to Appendix Two.

[37] The requirement to enter ethnicity into the Income Support database began in 1995 for new applicants. However, the ethnicity of current beneficiaries was not updated.

3.1.2.3 Number and age of children of DPB recipients

Almost all (97%) of DPB recipients had at least one dependent child[38] (Table 4). Of those who had dependent children, the majority of DPB recipients (85%) had responsibility for one or two children.

The majority (87%) of DPB recipients had a youngest dependent child under the age of 14, and 55% had a youngest child aged less than seven years (Table 4).

3.1.2.4 Location of DPB recipients

Table 6 shows the geographical distribution of DPB recipients by the 13 DWI administrative regions. Data from the 1996 Census is included for comparison. The greatest concentrations of DPB recipients were found in Auckland South, Auckland North and the Bay of Plenty.

Table 6: Population distributions by DWI regions

DWI Regions	*1996 Census %*	*DPB % of total*	*DPB Variation*
Auckland Central	11	6	-5
Auckland North	12	10	-2
Auckland South	7	12	5
Bay of Plenty	8	11	3
Canterbury	11	9	-2
Central	6	7	1
East Coast	5	7	2
Nelson	4	4	0
Northland	4	5	1
Southern	9	7	-2
Taranaki	5	6	1
Waikato	7	8	1
Wellington	10	8	-2
Total	100% (2,361,891)	100% (110,944)	

SOURCE: DWI administrative data, 2001

[38] Note: some DPB and WB recipients are not caring for dependent children. They were not included in the evaluation. To get the DPB, a person needs to be a sole parent, or a caregiver of someone sick or infirm, or an older woman living alone. A "sole parent" is defined as a parent of a child under 18 who lives with them, and a client who is not living with the other parent or a partner, and a client who is 18 or over (or 16 to 17 if they were legally married). A person who is "caring for someone sick or infirm" is defined as a client over 16 and caring full-time for someone who would otherwise need to be in hospital. This person can't be the client's partner or dependent child. The definition of "older woman living alone" is a client who has "become alone" after age 50 and after caring for children for at least 15 years, or caring full-time for a sick relative for at least five years, or being supported by her partner for at least five years (but partner or client must have lived in New Zealand for some years).

Table 7 shows the distribution of DPB recipients by ethnicity *across* the DWI regions. Māori were concentrated in the Bay of Plenty (17%), Auckland South (15%) and the East Coast (12%). These three DWI regions account for a total of approximately 44% of all Māori DPB recipients and make up about 30% of the total DPB population.

Nearly three-quarters (74%) of all Pacific DPB recipients were located in the greater Auckland area (Auckland South 43%, Auckland Central 17%, Auckland North 14%). A further 13% were located in the Wellington region. DPB recipients from other ethnic groups (5% of the DPB population) also tended to be concentrated in Auckland (47%) and Wellington (10%). Pākehā tend to be fairly evenly distributed throughout the DWI regions. However, there were relatively higher concentrations of Pākehā DPB recipients in Canterbury (13%), Auckland North (11%) and Southern (10%) regions.

Table 7: DPB recipients by ethnic group by DWI region (month ended 30 November 1999)

Region	*Ethnic Group*				
	Māori	Pākehā	Pacific Peoples	Other	Not Coded
Auckland Central	4	5	17	14	7
Auckland North	7	11	14	20	10
Auckland South	15	5	43	13	9
Bay of Plenty	17	8	3	7	7
Canterbury	3	13	2	8	16
Central	6	9	2	5	7
East Coast	12	6	2	3	6
Nelson	2	6	0	4	4
Northland	9	4	0	4	4
Southern	2	10	1	4	9
Taranaki	7	7	1	3	6
Waikato	9	8	1	6	7
Wellington	7	7	13	10	9
Total	100% (36,664)	100% (46,535)	100% (8,665)	100% (5,413)	100% (13,667)

SOURCE: DWI administrative data, 2001

3.1.3 Numbers subject to and exempt from reciprocal obligations

As of year-to-date April 2001 data, less than half of all DPB recipients (45%) were subject to some level of obligation to participate in employment/training based on the age of their youngest dependent child. Of DPB recipients subject to reciprocal obligations ("liable"), a small proportion (7.5%) had this waived for reasons such as having a younger child in care or with special needs, being pregnant or sick/invalid. Waivers are either *"full exemption from reciprocal obligations"* or *"deferral to be reviewed at a later date"*.

Refer to section 4.3.2.6 Exemptions from the work test.

3.1.4 Work history and motivation

The research found that the DPB recipient population had a high level of previous work history and was generally highly work motivated with between 20% and 30% declaring earnings whilst in receipt of the benefit over the period of evaluation (Figure 2). DPB and WB recipients moved into work once they considered their family circumstances, including childcare arrangements, allowed them to meet the demands of employment.[39]

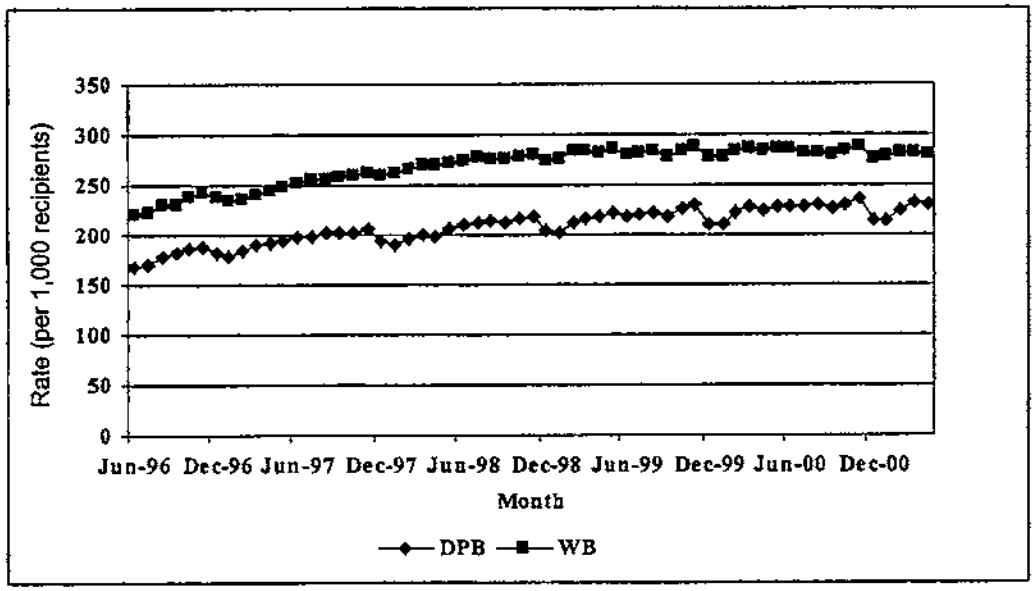
[39] These findings come from the evaluation and are supported by other national and international research (e.g. Colmar Brunton, 1995; Edin and Lein, 1997; Harris, 1993; Harris, 1996; Levine et al, 1993; Moffitt, 1988; Oliker, 1995).

The Qualitative Outcomes Study indicated that sole parents tended to become DPB recipients only as a last resort. While it is true that most of those that take up the DPB or WB no longer have partners, the circumstances that actually precipitated application for a benefit may include one, or a combination, of:

- an acute or chronic cash crisis after living off savings, insurance, other family members or low- paid work
- loss of paid employment and redundancy
- exit from or inability to take up paid work because of childcare obligations
- exit from or inability to take up paid employment because of illness.

Refer also to section 5.1.1 Attitudes to job search.

Figure 2: DPB and WB recipients declaring earnings (rate per 1,000 recipients)



Source: DWI administrative data, 2001

3.2 Recipients of the Widows Benefit

3.2.1 WB dependency

- The WB is only available to widows.
- The number of WB recipients increased steadily from July 1996 until March 1997 (Figure 1). The trend of recent decline among WB recipients is less marked compared to the trend for DPB recipients. Nevertheless from February 1999 WB recipients also fell to 9,018 in April 2001.

Widows Beneficiaries receive assistance for considerable periods of time, with 40% of recipients having spent five or more years on the benefit (Table 8). This reflects the lower rate of exit among WB recipients from the benefit,[40] and furthermore, most of these exits were transfers to either Transitional Retirement Benefit[41] or Superannuation.[42]

[40] The average rate of monthly exits for WB recipients over the study period is 18.4 per 1,000 recipients, compared to 26.1 per 1,000 recipients for DPB recipients.

[41] TRB gives income support for people who have not quite reached the qualifying age for New Zealand Superannuation. The qualifying age for the TRB depends on the month when a person was born. In general, the age for qualifying is between 62 and 64. The TRB stops as soon as the individual, or their partner, reaches the age when they are entitled to receive New Zealand Superannuation.

[42] From 1992, the age of entitlement for NZ Superannuation was lifted from 60 to 65. The change was to take effect in increments over roughly 10 years, with increases taking place at three-monthly or six-monthly intervals. In other words, for every year that has passed since 1992 the age of entitlement has increased by six months. In the days of the age benefit, there was a special age benefit payable to women at age 55. It was similar to the over 50s widows benefit provision. With the qualifying

3.2.2 Demographic

3.2.2.1 Age and ethnicity of WB recipients

Most WB recipients (86%) were over the age of 52 (Table 8).

- Māori, and to a lesser extent Pacific Peoples, were over-represented among WB recipients relative to the general population (Table 8). In addition, a higher proportion of WB recipients were in the 50 years and older age group.[43] Average age of Māori WB recipients at 53 years of age (75%).

- With regard to ethnicity and duration,[44] the pattern among WB recipients was similar to that among DPB recipients.[45]

3.2.2.2 Number and age of children of WB recipients

Table 8 shows that only around a quarter (27%) of WB recipients had any dependent children. Of those who had dependent children, the majority (81%) had responsibility for one or two children. Seventeen percent of WB recipients had a youngest child under 14, with 5% having a youngest child less than seven years old (Table 8).

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age currently sitting at around 64 years of age, we would expect to see a reduction in WB recipients exiting the WB for superannuation.

[43] For additional demographic information refer also to Appendix Two.

[44] However, the high proportion of uncoded ethnicity constrains the extent to which comparisons can be made between ethnic groups. For example, a very high percentage of recipients with benefit duration's greater than five years are not coded (55% in WB). If the uncoded recipients are representative of those who have been coded, then the proportion of Māori in this duration band will be higher.

[45] For additional demographic information refer also to Appendix Two.

Table 8: Description of WB Populations

Group	*Characteristic*	*1996 Census (%)* [1]	*WB (%)* [2]
Sex	Male	-	0
	Female	-	100
Ethnic group[3]	Māori	13	20
	NZ European/ Pākehā	59	44
	Pacific Peoples	5	7
	Other[4]	19	7
	Not Coded[5]	4	23
Age	Under 20 yrs	11	0
	20-29 yrs	23	1
	30-39 yrs	24	6
	40-49 yrs	21	7
	50-59 yrs	15	54
	60+ yrs	6	33
Age of youngest child	No Child / Age unknown	-	78
	0-5 yrs	-	5
	6-13 yrs	-	12
	14+ yrs	-	5
Number of dependent children[6]	None		73
	1		14
	2		8
	3		3
	4 or more		1
Duration on benefit	6 months or less	-	10
	>6 mths-12 mths	-	9
	>1yr-2 yrs	-	14
	>2 yrs-3 yrs	-	11
	>3 yrs-5 yrs	-	16
	>5yrs	-	40

1: Census includes all females and males aged 15 to 64 years.
2: Average number per month of WB recipients for the period June 1996 to April 2001. WB at 9,269 recipients per month.
3: Comparison between census and DWI administrative data is difficult because the coding protocols differ.
4: Includes: Asian, Indian, Other European groups and South American groups and some Pacific groups not individually captured.
5: Ethnicity was not a mandatory field on the income database. As a result, not all recipients have an ethnicity coded to them.
6: Is a child under the age of 14 years for whom the recipient has sole care-giving responsibility.
SOURCE: DWI administrative data, 2001

3.2.2.3 Location of DPB and WB recipients

Table 9 shows the geographical distribution of WB recipients by the 13 DWI administrative regions. Data from the 1996 Census is included for comparison. The greatest concentrations of WB recipients were in Auckland South, the Bay of Plenty and Canterbury.

Table 10 shows the distribution of WB recipients by ethnicity *across* the DWI regions, which is similar to that of the DPB population.

Table 9: WB population distributions by DWI regions

DWI Regions	*1996 Census*	*WB % of Total*	*WB Variation*
Auckland Central	11	6	-5
Auckland North	12	9	-3
Auckland South	7	10	3
Bay of Plenty	8	11	3
Canterbury	11	10	-1
Central	6	7	1
East Coast	5	7	2
Nelson	4	4	0
Northland	4	6	2
Southern	9	9	0
Taranaki	5	6	1
Waikato	7	7	0
Wellington	10	7	-3
Total	100% (2,361,891)	100% (9,322)	

SOURCE: DWI administrative data, 2001

Table 10: WB recipients by ethnic group across each DWI region (month ended 30 November 1999)

Region	*Ethnic Group*				
	Māori	*Pākehā*	*Pacific Peoples*	*Other*	*Not Coded*
Auckland Central	3	5	18	13	6
Auckland North	4	9	13	21	8
Auckland South	13	6	41	11	7
Bay of Plenty	22	9	5	7	7
Canterbury	2	13	2	8	14
Central	4	8	1	5	9
East Coast	13	5	2	3	6
Nelson	1	6	0	3	5
Northland	14	4	0	5	5
Southern	2	14	1	4	12
Taranaki	8	7	0	3	6
Waikato	9	8	1	6	7
Wellington	5	6	14	12	8
National distribution	100% (1,765)	100% (3,838)	100% (619)	100% (619)	100% (2,481)

SOURCE: DWI administrative data, 2001

3.2.3 Numbers subject to and exempt from reciprocal obligations

As of year-to-date April 2001 data almost all (95%) of WB recipients were subject to some level of obligation to participate in employment/training based on the age of their youngest dependent child. However, a large proportion of liable WB recipients (52.7%) had their reciprocal obligation waived, mainly on the basis of age (55+).

Refer to section 4.3.2.6 Exemptions from the work test.

3.3 Summary - DPB and WB populations

Eighty percent of DPB recipients are aged between 20 and 40. The majority (85%) had responsibility for one or two dependent children.

There has been a steady decrease in numbers receiving the DPB and WB. For DPB recipients the trend has been evident since January 1998, and for WB recipients, since February 1999. By April 2001, there were 105,099 DPB recipients (a decline from 113,319 in January 1998) and 9,018 WB recipients (a decline from a peak of 9,492 in February 1999).

Māori were over-represented amongst DPB (33%) and WB (20%) recipients in relation to their proportion of the New Zealand adult population (13%). Pacific Peoples, to a lesser extent, were also over-represented amongst both DPB (8%) and WB (7%) recipients compared to the percentage found in the New Zealand adult population (5%).

The DPB and WB populations were distinct from each other. For example:

- the DPB population was considerably larger than the WB population
- the average age of DPB recipients was 32 compared with an average age of 52 for WB recipients
- almost all DPB recipients (96%) had at least one dependent child, compared with only 27% of WB recipients. Most DPB recipients (87%) had a youngest child aged under 14. Consequently, slightly under half of all DPB recipients (45%) compared to almost all WB recipients (95%) were subject to either a full-time or a part-time work test
- few DPB recipients (8%) had their reciprocal obligation waived compared with 53% of WB recipients, mainly on the basis of age (55+)
- WB recipients were more likely to have been in receipt of a benefit for five or more years whereas DPB recipients were relatively evenly spread across the duration bands.

The research found that the DPB and WB recipient population had a high level of previous work history and was generally highly work motivated. Between 20% and 30% declared earnings whilst in receipt of the benefit over the period of evaluation.[46] The evaluation and monitoring strategy research also found that DPB and WB recipients were likely to move into work if they found suitable employment. The Qualitative Outcomes Study indicated that sole parents tended to become DPB recipients only as a last resort.

3.3.1 Implications arising from findings about the DPB and WB populations

The difference between WB and DPB recipients raises questions about the appropriateness of subjecting the two groups to the same policies. Under the reforms implemented in February 1999, DPB and WB recipients were subject to the same regime of reciprocal obligations and assistance measures. However, as DWI administrative data indicates, the DPB and WB recipient populations were very different in terms of age of recipients, number and age of dependent children, and numbers who had their work test obligations waived. WB recipients tended to be older (e.g. over 50) and have fewer and older dependent children. Approximately half of WB recipients had their work test obligations waived. Many moved from the WB onto the Transitional Retirement Benefit or Superannuation. Different strategies and policies may be required to meet the needs of WB recipients, especially older recipients who are close to retirement age.

[46] Administrative data, which included declared earnings, was collected over the period from June 1996 to April 2001.

4. Application of the reciprocal obligation rules and assistance to sole parents

To understand the degree to which judgements could be made about the effectiveness of the reforms, it was important to establish the scale and scope of their implementation **(refer to section 6 Outcomes for sole parents following the DPB and WB reforms)**. The following sections describe the implementation of the reciprocal obligation rules and assistance to sole parents. The evaluation strategy revealed that several aspects of implementation and on-going operation are likely to have affected the outcomes achieved by sole parent beneficiaries and ex-beneficiaries. These include the differential implementation of the reciprocal obligations according to the age of youngest child and the poor implementation of many of the assistance measures designed to assist sole parents to enter and remain in employment.

4.1 What did the policy papers say regarding the package?

Prior to the implementation of the DPB and WB reforms in February 1999, the policy papers outlined what the reforms entailed. There was an emphasis in the policy papers on work as the ultimate goal for all beneficiaries and the key priority for those subject to the work test. The facilitative and assistance measures were designed to address barriers to taking up employment.

4.1.1 Reciprocal obligations - work testing

From 1 February 1999, reciprocal obligations began to be newly rolled out to some groups of sole parent beneficiaries and strengthened for others, with provision for deferral:

- the work test applying to those with a youngest child aged 14 or over was strengthened to require participation in or search for full-time work[47]
- those with a youngest child aged 6 to 13 years became subject to a part-time work test
- those with a youngest child aged under six years who had received DPB continuously for at least a year were required to attend an annual planning interview
- those with a youngest child aged 5 to 6 years could be required to undertake activities in preparation for the part-time work test. The aim was to clearly send a signal that beneficiaries were ultimately expected to find work and should start planning early.

Those with a youngest child aged 14 years or over subject to the new full-time work test became once again subject to an abatement regime that encouraged full-time rather than part-time work.[48] This change was rolled out gradually as existing recipients came up for annual renewal and became subject to the full-time work test, and was applied to new full-time work tested recipients as they came onto benefit. In cases where the work test was deferred, the recipient remained subject to the part-time abatement regime.

For those subject to the work test, work was to be the first priority and training was a secondary activity, undertaken to improve immediate employability. However, DPB and WB recipients were not required to accept job offers that would result in their income, after tax and reasonable childcare costs, being lower than their unabated entitlements.

Sanctions existing prior to February 1999 for non-compliance and work test failure were to apply.

4.1.2 Facilitative and assistance measures

The facilitative measures were designed to address the barriers to an individual's willingness to work or capacity to work. They cannot be isolated from the case management system through which access to the measures is gained. The measures were expected to have important effects in moving DPB and WB

[47] Full-time work meant 30 hours per week within school hours. There was to be a case-by-case assessment of the supervisory needs of teenagers of those in receipt of the DPB or WB who were work tested.

[48] This entailed an increase in the abatement rate applying to additional income between $81 and $180 per week from 30% to 70%.

recipients into employment. Officials believed these measures were likely to have a greater effect if offered in combination with a package containing reciprocal obligations and financial incentives.

The facilitative measures allowed Case Managers to address the barriers to employment and permit the commitment of job seekers to gaining work to be tested. Officials considered priority should be given to those on the benefit who were at risk of long-term benefit receipt.

The measures were divided into core and non-core measures. The core measures were national level measures and not subject to regional discretion. The new and enhanced core measures provide financial incentives, or address disincentives, for sole parents to work. For example:

- during the initial transition to work - access to an employment transition grant (to cover any loss of income due to lack of paid sick leave during the first six months), and a 91-day period (after cancellation/suspension of benefit) where debt repayment is frozen
- changes to the Child Support Act to allow access to the payment record of non-custodial parents (alerting custodial parents to the potential amount they could receive directly once off benefit)
- increasing the supply of childcare and the childcare subsidy, e.g. a cash subsidy (up to $1.80 per hour for children aged 5-13 attending an approved out-of-school care (OSCAR) programme) and establishment funding for out-of-school care services in low-income communities.

The non-core measures included extending the existing suite of employment programmes to the new flow of work tested DPB recipients. Decisions about the mix at the regional level were to be made by Regional Commissioners within broad guidelines. A variety of modifications were also made to existing measures to assist DPB recipients who were subject to the work test into unsubsidised employment. These modified measures included enhanced job search assistance and a post-placement support pilot and were consistent with a "work-first approach" to employment assistance.

4.2 The context in which the operational policy was developed

This section outlines the context in which policy to operationalise the DPB and WB reforms was developed. During the time the operational policy was being developed a number of other significant changes occurred. These changes included the creation of the Department of Work and Income (DWI) and a range of policy changes that are likely to have had an impact on sole parent beneficiaries and former beneficiaries.

The reforms were implemented during a time of major restructuring for the department charged with administering the changes. This section outlines the environment within which Case Managers were working.

The new department, Work and Income New Zealand, merged the former Income Support Service and the New Zealand Employment Service, along with the Community Employment Group, in October 1998.

As part of the restructuring, the department adopted a non-specialised case management approach. Staff were expected to manage caseloads of clients across all types of benefits. This meant that staff had to know a large volume of complex information rather than specialise in one specific area.

During the first year of the new department, staff reported that their caseloads were too high to provide a reasonable quality of service. In general, caseloads were much higher than the originally suggested 195 clients per Case Manager. Counting partners, many Case Managers reported caseloads of up to 260. Staff told the Hunn Review (2000) that their caseloads were compounded by staff vacancies, staff away on sick leave, or where new and inexperienced staff were in training.

The Hunn Review also noted there were high staff turnovers in some areas. This meant that new staff lacked experience and there was a shortage of experienced Case Managers in some sections.

The volume and complexity of the information Case Managers were expected to know, combined with high workload, adversely affected the accuracy of information delivered to clients. An example of this is

the OSCAR subsidy - many staff just did not have the time to learn about this new subsidy (and there were constant changes and updates because the system was not working as intended).

Many staff felt the Department placed undue emphasis on meeting Key Performance Indicator (KPI) targets. The focus on KPIs sometimes encouraged inappropriate competitiveness and behaviour to meet targets and often became a quantity versus quality issue. This contributed to a loss of focus on the needs of beneficiaries.

The Hunn Review also commented that staff morale had been affected by bad publicity that DWI had attracted in its first year. Some staff said they had been abused verbally by clients.

4.2.1 Policy changes undertaken between 1996 and 2000 that are likely to have affected sole parents

Table 2 (earlier) details changes that affected sole parent beneficiaries up to October 2001, as well as the evaluation timetable. Table 11 summarises changes to the DPB between 1996 and 1999.

In May 1998, changes flowing from the 1997/98 DPB Review were announced. Key among these were further changes to reciprocal obligations and abatement for sole parents receiving the DPB.[49]

Refer to section 4.1.1 for further details on these changes.

On 1 January 2000 there were two changes to the Training Incentive Allowance. From this date, clients attending courses that were student loan entitled no longer had to fund 40% of their course fees and course costs through either a student loan or privately (as they had had to do since 1 January 1998 under the National Government).

The second change involved clients who had completed a degree in the last five years. Since 1 January 1998 these clients had not been able to access TIA. From 1 January 2000 clients were eligible for TIA for courses that were less than 12 weeks long and were employment related.

4.2.2 Changes to the abatement regime

As part of the response to the Employment Task Force (ETF), a new abatement regime, which offered greatly improved financial incentives to combine DPB receipt with part-time employment, was introduced (Table 12). From 1 July 1996 the income threshold beyond which the main benefit began to abate was increased and the abatement rate that applied for the first $100 weekly income above this threshold was substantially reduced.

These improved financial incentives were matched by the introduction of "reciprocal obligations" for some groups of sole parents receiving the DPB, with provision for exemption:[50]

- those with a youngest child aged 14 or over became subject to a part-time work or training test
- those with a youngest child aged 7 to 13 who had received the DPB continuously for at least a year were required to attend an annual planning interview.

These requirements were gradually rolled out to existing recipients in the year from April 1997. The work test applied to new applicants from that date. The aim of the changes was to increase DPB recipients' participation in part-time employment, and raise awareness of opportunities for education and training, as a means of improving their chances of full-time employment and independence from benefit income in the longer term.

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[49] Reciprocal obligations were also strengthened for and/or extended to women alone and carers receiving the DPB and partners of recipients of all other working age benefits. The abatement change also applied to women alone receiving the DPB.

[50] Reciprocal obligations were also introduced for women alone and carers receiving the DPB and some partners of unemployment benefit recipients.

Table 11: DPB Policy changes 1996-1999

Date	*Reciprocal Obligation and Abatement Rate Policy Changes*
1 July 1996	ETF abatement change
1 April 1997	ETF reciprocal obligations:
	Youngest child aged 14+ - Part-time work test
	Youngest child aged 7-13 – Annual planning interview
	Youngest child aged 0-6 – No change
1 February	DPB review reciprocal obligations:
1999	Youngest child aged 14+ full-time work test
	Reversal of abatement change
	Youngest child aged 7-13 – Part-time work test
	Youngest child aged 0-5 – Annual planning interview

SOURCE: Ball and Wilson, 2000

Table 12: Abatement rates applying to DPB before and after 1996

Income Level ($ per week)	*Abatement Rate Applying to DPB before 1 July 1996*	*Abatement Rate Applying to DPB from 1 July 1996*
$0-60*	0%	0%
$61-80	30%	0%
$81-180	70%	30%
$181 or over	70%	70%

* Before 1 July 1996 the lower income threshold for DPB and other benefit recipients without children was $50 per week.
SOURCE: Ball and Wilson, 2000

From 1 February 1999, reciprocal obligations began to be newly rolled out to some groups and strengthened for others, with provision for deferral:

- the work test applying to those with a youngest child aged 14 or over was strengthened to require participation in or search for full-time work
- those with a youngest child aged 7 to 13 became subject to a part-time work test
- those with a youngest child aged under seven who had received DPB continuously for at least a year were required to attend an annual planning interview
- those with a youngest child aged 5 to 6 years could be required to undertake activities in preparation for the part-time work test.

Those with a youngest child aged 14 or over subject to the new full-time work test reverted to an abatement regime that encouraged full-time rather than part-time work. This entailed an increase in the abatement rate applying to additional income between $81 and $180 per week from 30% to 70%.(Table 13). This change was implemented gradually as existing recipients came up for annual renewal and became subject to the full-time work test, and was applied to new full-time work tested recipients as they came onto the benefit. In cases where the work test was deferred, the recipient remained subject to the part-time abatement regime.

Table 13: Abatement rates applying to DPB and WB from 1 February 1999

Income level - $ per week	Full-time Regime - Main Benefit Abatement	Part-time Regime - Main Benefit Abatement
$0-80	0%	0%
$81-180	70%	30%
$181 or over	70%	70%

4.3 The implementation and on-going operation of changes to the reciprocal obligation rules

4.3.1 Case Manager awareness of the reciprocal obligations

There appears to be a high level of awareness amongst Case Managers interviewed of the assumptions underpinning the reciprocal obligations and the work test process as evidenced by their detailed feedback about implementation of the reforms and the consistency of their responses.

Case Managers interviewed stated that training was provided to them about the reciprocal obligations and the work test requirements and process prior to the introduction of the reforms. Subsequently information about operational policies, including the DPB and WB reforms, has been provided in service centres by team trainers, work coaches and service centre managers. In addition, information can be obtained from the Departmental Intranet.

Case Managers interviewed reported that the day-to-day application of the work test process, particularly for those with a high proportion of DPB and WB recipients as part of their caseload, meant that they were familiar with and confident in applying the work test process.

4.3.2 The operation of work testing in practice

4.3.2.1 Who the work test affects

The work test process is applied differentially to DPB and WB recipients depending on the age of the youngest child in the family, that is, whether the youngest child is aged 0 to 5, 6 to 13, or 14 and over.

DPB and WB recipients whose youngest child is aged 0 to 6 are required to attend an annual work preparation interview and, when their child is aged 5 to 6, to be involved in one employment preparation activity. Case Managers interviewed generally refer to recipients in this group as the non-work tested group.

DPB and WB recipients whose youngest child is between the ages of 7 and 13 (inclusive) are required to undertake 15 hours, paid employment per week or participate in suitable training. Recipients in this category are generally referred to as the part-time work tested group.

Those DPB and WB recipients whose youngest child is aged 14 and over, or who have no children, are required to actively seek full-time paid employment. This group of recipients is generally referred to as the full-time work tested group.

4.3.2.2 Informing DPB and WB recipients about the work test requirements

Case Managers' understanding of informing DPB and WB recipients about the work test requirements

Case Managers interviewed stated that applicants were made aware of the work test process and their obligations to actively seek paid employment and/or undertake some form of training that may lead to paid employment at the time of applying for the DPB and WB. Case Managers interviewed said they may also discuss these obligations if they met with DPB and WB recipients to talk about other matters. Case

Managers interviewed reported that the annual renewal letter,[51] however, was the main method of advising DPB and WB recipients about their work test obligations.

Letters were not an effective means of communicating with all clients. The Qualitative Outcomes Study found that for some Pacific respondents, language problems meant that they largely ignored letters. Māori respondents also found the letters they received difficult to understand and to apply to their particular circumstances.

The procedures for initiating and implementing the work test process for all DPB and WB recipients irrespective of their work test category were, with one exception, identical across the service centres covered in this evaluation.

The process as reported by Case Managers interviewed was that each year on the anniversary of benefit application (the annual renewal) DPB and WB recipients were required to attend an annual planning meeting. DPB and WB recipients were sent a system-generated letter informing them of their work test obligations and advising them of the need to attend an appointment with their Case Manager to discuss these obligations.

Case Managers interviewed said that they are required to confirm that the annual renewal interview has taken place. If this is not done, then the system generates a second letter advising DPB and WB recipients that their benefit payments will be suspended two weeks from the date of that letter unless they make contact with their Case Manager. This process operated in all but one of the six service centres.

A modified process employed in the remaining service centre generated a second renewal letter to DPB and WB recipients if the first interview did not take place. If a second interview did not occur, a letter advising of impending benefit suspension was sent. Case Managers interviewed said they applied this modified process to reassure themselves that suspension was justified. In particular, Case Managers interviewed commented about the potential negative impacts on the family and their desire to avoid escalating involvement of advocacy groups and local Members of Parliament.

In this centre, individual Case Managers could also initiate the modified process (referred to above) by entering a temporary exemption where DPB and WB recipients had a valid reason for not attending the renewal interview.

DPB and WB recipients are required to advise the department of any change of address. If at the time of the annual renewal date they have not notified their Case Manager of a change in address, they will be unaware of the necessity to attend an interview with their Case Manager and ultimately their benefit will be suspended. From a Case Managers' perspective, suspension usually motivates DPB and WB recipients to make contact.

The evaluation revealed only one variation to the work test process being applied by one of the six service centres in the evaluation. This consisted of Case Managers working proactively with DPB and WB recipients in the non-work tested group when their youngest child turned four-and-a-half years of age. The rationale provided for initiating contact at this time was to "sensitise" recipients to the requirement to seek paid employment when their child turned seven: *"We try and draw them into either talking about work goals or actually doing study...getting a picture about the client to begin formulating a plan."* (Interviews with Case Managers, 2001)

DPB and WB recipients' awareness of the DPB reforms

For the reforms to have an impact on sole parent beneficiary behaviour, benefit recipients needed to be aware of the reforms and of their requirements.

The qualitative outcomes research revealed that respondents' views about the DPB and WB reforms ranged from almost complete unawareness of the reforms, to qualified support, through to criticism, anger and anxiety. It was clear that substantial numbers of the participants had only a cursory understanding of

[51] Sample renewal letters sent to DPB and WB recipients in each of the work test categories are appended to this report.

the reforms. This was more pronounced in the first series of interviews than those that took place a year later. Nevertheless it was a persistent feature of interviews conducted in both May 2000 and May 2001.

Participants' knowledge and awareness of the requirements and assistance measures associated with the reforms fell into three broad groups:

- very little knowledge and awareness, including a lack of understanding about the requirements of their training and work involvement according to the age of their youngest child
- some knowledge of requirements immediately affecting them
- a general understanding of the reforms as well as an understanding of the implications for them personally. Few of the participants fell into this category.

The survey of sole parents who left the benefit for employment revealed that awareness of the DPB reforms appeared to be related to the age of the youngest child, or perhaps to the degree of the perceived impact of the reforms on the DPB recipient. Awareness of the reforms was greatest among those subject to the requirement to find full-time work (that is, those with the youngest child aged 14 years and over), with 91% of respondents aware of the requirement to find full-time work. Almost all respondents with a youngest child aged between 6 and 13 years (89%) stated that they were aware of the requirement to find part-time work. Awareness was lowest among those with a youngest child under 6 years of age, where 45% of respondents were aware of the requirement to have regular meetings with their Case Manager to discuss work preparation.

There were no significant differences in awareness by ethnicity amongst those eligible for the full-time work test (Table 14). This may have been due to the relatively small sample sizes. Other respondents were significantly more likely to be aware of the requirement to find part-time work (92%) than Māori respondents were (85%). Māori (47%) and Other respondents (48%) were significantly more likely to be aware of requirement to have regular meetings with their Case Manager to discuss preparing for work than Pacific Peoples were (24%).

The qualitative outcomes research revealed that Māori participants in particular, but also some Pacific participants, were unaware of the nature of the requirements and assistance measures available. Māori were more likely to say that they had received little or no information about the reforms or possible impacts on them. What information they had received frequently came from family or friends rather than from DWI. Some Māori respondents reported they had received incorrect or confusing information. Their lack of knowledge or awareness of the reforms often limited their responses to interview questions. Pacific Peoples reported simply avoiding the issue altogether. For some, language problems meant that they largely ignored letters. In general, for Pacific Peoples, who often had a long history of paid employment with high aspirations for themselves and their children, the interactions with DWI were felt to be so degrading that they simply minimised all contact.

The survey of sole parents who left the benefit for employment found that awareness of the reform measures also appeared related to the length of relationship the respondent had with the DWI. Those in receipt of a benefit for less than two years were less likely to be aware of all three of the policy reforms than those with a longer-term relationship with DWI.

Table 14: Awareness of DPB reforms (%) by ethnicity

	Total Sample	*Māori A*	*Pacific Peoples B*	*Other C*
Required to have regular meetings with Case Manager (child <6 years) (n)	342	95	69	178
Percentage aware of reform	45	47 ↑B[52]	24	48 ↑B
Required to find part-time work (child 7-13 years) (n)	471	131	31	309
Percentage aware of reform	89	85	83	92 ↑A
Required to find full-time work (child 14 years +) (n)	203	41	6	156
Percentage aware of reform	91	83	62	94

Base: All respondents.
Significant differences are reported at the 95% confidence interval.
Sample sizes for Māori and Pacific Peoples are small – consequently, results for these groups should be considered indicative only.
SOURCE: The survey of sole parents who left the benefit for employment, 2001

4.3.2.3 The application of annual planning meetings for the non-work tested group

Case Managers' views on the application of annual planning meetings for the non-work tested group

DPB and WB recipients with a youngest child under six years old (i.e. the non-work tested group) are required to attend an annual interview. However, Case Managers interviewed said that they spent minimal time discussing work preparation options with these clients unless the client specifically requested training or employment assistance.

The main reason given by Case Managers interviewed was that there was no requirement for DPB and WB recipients in this category to actively seek paid employment. The normal practice is for Case Managers to allocate more time to the part-time and full-time work tested groups. From the comments made by Case Managers interviewed, the annual planning meeting, for most clients in the non-work tested group, appears to be a perfunctory process. One extreme example given by a Case Manager interviewed regarded clients who were required to come in for an interview. Their attendance was acknowledged, but no actual interview took place: *"They come in and sign the register and I tick the box and that's it. I put my effort into the over 100 full-time (work tested) I have on my caseload."* (Interviews with Case Managers, 2001)

Case Managers interviewed were aware of the barriers to paid employment faced by all DPB and WB recipients and felt that the needs of pre-school children accentuated these barriers for the non-work tested group. In addition, there was general acceptance by Case Managers interviewed of the value of mothers staying at home and caring for pre-school children. This view further mitigated against Case Managers proactively working with this group. The absence of a requirement for an employment or training outcome, coupled with high caseloads, also reinforced the practice of Case Managers interviewed spending more time with the part-time and full-time work tested groups. However, in line with operational policy, when a DPB and WB recipient's youngest child is between the ages of five and six, Case Managers reported taking a more active role in terms of planning for employment or training options with the client.

[52] Where a result is significantly higher for one group than another, this is indicated by an upward arrow (↑) beside the higher value, along with a letter indicating which column the result is significantly higher to.

DPB and WB recipients' views on the application of annual planning meetings for the non-work tested group

The qualitative outcomes research indicated that, in general, DPB and WB recipients supported the requirement that they attend an annual planning meeting with a Case Manager if their child is under six years: *"[Annual planning meetings are] a good idea because a woman on DPB becomes aware of what is required. A woman that wants to help herself then knows WINZ is aware of her existence."* (Other Employed 14+ yrs, Qualitative Outcomes Study, 2001)

"It would put some kind of plan in your head so you're not sitting around hopeless. I haven't had [an interview] yet [May 1999]." (Māori DPB 7-13 yrs, Qualitative Outcomes Study, 2001)

However, some recipients in the non-work tested group found the planning session a waste of time. They described the sessions as "too loose" or "unfocused". Some reported they had not yet participated in an annual planning meeting, or that one had been arranged but had never taken place.

Of those who had attended a planning meeting, some recipients found them coercive in style. They felt that there was an expectation that they should work without any exploration or consideration of their individual circumstances. There were also comments about the stress of attending those meetings, the associated travel costs, and, for some, long waits at DWI offices or requirements to have return visits because Case Managers had not kept the pre-arranged meeting times: *"I think it's good if they can put quality time into the interview. But I had made appointments at the office and they had changed the times. Waiting sometimes up to 40 minutes – that particular time my appointment was re-scheduled six times."* (Māori Employed 7-13 yrs, Qualitative Outcomes Study, 2001)

"Had meeting (earlier than required because she just happened to be in the office) but didn't get the promised letter afterwards summing up the meeting. There didn't seem to be further action. Waste of time – what we talked about now may be out of date in six months time Nice but not helpful." (Other DPB 0-5 yrs, Qualitative Outcomes Study, 2001)

"I feel quite stressed by the meetings. They make me feel I have to be a superwoman. Being a parent is given no value." (Other DPB 7-13 yrs, Qualitative Outcomes Study, 2001)

"It's a waste of time. Have you looked for a job? Yes/No. Write it down. They don't tell you anything. If you need information you have to ask. If they give you one thing they take something else." (Māori Employed 7-13 yrs, Qualitative Outcomes Study, 2001).

4.3.2.4 The application of the part-time work test

Case Managers' views on the application of the part-time work test

Case Managers interviewed stated that DPB and WB recipients who are part-time work tested are required to register/be enrolled on the employment database, SOLO. They do this by signing a job seekers contract (if they have not previously signed one) at the time of their annual renewal interview. The contract states that they will either undertake job search activities, or actively participate in paid employment and/or approved training of not less than 15 hours per week.

The major concern expressed by Case Managers interviewed was the shortage of suitable work for recipients in this group. Suitable work was described by Case Managers interviewed as work between the hours of 9.00am and 3.00pm and preferably with school holidays off: *"There just aren't any 9-3 jobs out there so it's not worth forcing these mums out to work."* (Interviews with Case Managers, 2001)

There was also the issue of low hourly rates. When coupled with childcare and transport expenses, low pay could result in some DPB and WB recipients being financially worse off: *"We just have a shortage of jobs in the region...and for some the rates are too low that it's not advantageous for them to take on work."* (Interviews with Case Managers, 2001)

Case Managers reported access to, and the costs of, childcare as a major issue. In rural areas, there was a general lack of childcare facilities. However, access was also an issue in major urban areas. DPB and WB recipients who lived in, or wished to access childcare facilities in, the more central city business area competed with the general working public. This has a two-fold effect; it limits the number of places available, and it can also push the cost of childcare, even with a subsidy, out of the reach of DPB and WB recipients: *"Childcare facilities are low here and there are no OSCAR programmes for rural ones."* (Interviews with Case Managers, 2001)

In terms of cost, Case Managers interviewed felt that the childcare subsidy rate was too low to adequately compensate for the high costs of childcare. For DPB and WB recipients, the situation was further exacerbated if they were receiving low hourly rates of pay. In addition, some childcare facilities required a bond to secure placement - which is not currently covered by the childcare subsidy. DPB and WB recipients were reluctant to take out a loan to cover the cost of the bond, as it placed them further in debt.

Case Managers interviewed commented that where there were few employment and training opportunities, and limited childcare facilities, they tended to take a pragmatic and reasonable approach to the work test requirements, and did not enforce the work test sanctions. For example, if a recipient worked around 12-13 hours per week then they were generally granted a waiver for the remaining two to three hours.

Where Case Managers interviewed perceived that DPB and WB recipients had major barriers to seeking part-time work and training, they were reluctant to apply the work test sanctions. Their preference was to work with clients to help them to overcome those barriers, with the emphasis on a supportive rather than a punitive approach: *"We're able to use some discretion in this office because if they can't or won't go out to work you have to work on their barriers...why are they like this...you just can't force them to go otherwise they'll just back away."* (Interviews with Case Managers, 2001)

"If they want to work then we'll set them up [work with them] but if not, then we'll just pull them aside and work with them [on the barriers]." (Interviews with Case Managers, 2001)

DPB and WB recipients' views on the application of the part-time work test

The qualitative outcomes research indicated most respondents saw the requirements for those whose youngest child was aged 6 to 13 years as fair in principle. However the majority of recipients, regardless of their employment status, saw the requirements as presenting practical difficulties because of a lack of suitable part-time employment within school hours, difficulties in getting holidays off, unsympathetic employers and a lack of suitable childcare. There were considerable anxieties about ensuring after school and holiday childcare needs would be met. There was also very little difference in views according to the age of the youngest child: *"I agree with it. It's good for the mothers or fathers to plan. The children are old enough at school. There's no excuse not to be doing work or doing a course."* (Māori DPB 7-13 yrs, Qualitative Outcomes Study, 2001)

"Better starting this later. Primary school children are still young and need parental support with learning and parent help for attending school and school trips. Each child has different needs." (Pacific DPB 14+ yrs, Qualitative Outcomes Study, 2001)

"It's okay. Kid at school. Go make money." (Pacific Employed 7-13 yrs, Qualitative Outcomes Study, 2001)

"It's OK if jobs are available but people need help. The jobs have to be flexible and it's no use giving people jobs that are so much less than the DPB." (Other Employed 7-13 yrs, Qualitative Outcomes Study, 2001)

4.3.2.5 The application of the full-time work test

Case Managers' views on the application of the full-time work test

The full-time work tested group are required to be available for job search activities (including work and training) for at least 30 hours per week. In terms of the work test process, Case Managers interviewed tended to concentrate most of their effort on this group, providing more intensive case management exploration of employment interests, training needs and job opportunities.

Some Case Managers interviewed had caseloads of 250 to 280 recipients. They reported they were unable to intensively manage their full-time work tested clients and tended to refer them to Career Services Rapuara[53] for career guidance/planning sessions. However, in some regions budget constraints limited the number of clients who were referred to Career Services.

There was a perception amongst Case Managers interviewed that the full-time work tested group had fewer barriers to accessing work in comparison to the other work tested groups and therefore they should be actively involved in job search activities.

Case Managers interviewed felt that DPB and WB recipients in this category were well aware of the obligation to seek full-time paid employment when their youngest child reached the age of 14 and there was, for the most part, a genuine desire amongst this group to seek paid employment. The exception was those recipients who had been in receipt of a benefit for a long period of time (more than five years). These clients were more resistant to the notion of having to seek paid employment compared to those DPB and WB recipients who had been in receipt of a benefit for a short period of time.

Case Managers interviewed felt that awareness of the obligation to seek full-time work by this group was a result of having been through the annual renewal process at least once, and for some twice, as well as through sharing information with other benefit recipients. In addition, DPB and WB recipients in receipt of income support since February 1999 would have been made aware of the work test obligations at the time of applying for income support.

Case Managers interviewed commented that DPB and WB recipients who were already in steady part-time work were more than likely to move into full-time work and generally required minimal intervention: *"These ones are motivated to work...attitudes are great...they're a focused group."* (Interviews with Case Managers, 2001)

As with the part-time work tested group, the major difficulty for full-time work tested DPB and WB recipients was the lack of suitable work. For this group "suitability" centred on the availability of jobs, the hourly rates of pay, and the "mismatch" between the positions available and the skills and qualifications of DPB and WB recipients. For example, in some rural communities, jobs were almost non-existent or were temporary or seasonal positions. In addition, affordability of and access to childcare were also issues of concern for this group.

DPB and WB recipients' views on the application of the full-time work test

Those benefit recipients with teenage children were particularly anxious about the impacts of the requirement to look for full-time work. Participants were strongly of the view that a blanket requirement[54] was unrealistic and failed to acknowledge risks to teenagers if parents are not able to exercise adequate supervision. Participants in this group in paid work, including full-time paid work, felt that having such rules meant that the Government had failed to recognise the diversity of needs and circumstances of teenagers.

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[53] Career Services Rapuara is a Crown entity established in 1990 to provide career information, advice and guidance.

[54] Participants did not know whether they were exempt or that an exemptions policy might mitigate what they saw as a blanket requirement.

The dangers of teenage pregnancy, truancy, crime, and drug taking were mentioned, but it was acknowledged that not all teenagers were at risk. Some recipients experienced the lack of a partner to share parenting responsibilities during the teenage years particularly acutely. Others had experience of mentally or physically ill teenagers, and felt that these special circumstances were not catered for in the way that the work test requirements were applied: *"Fourteen is far too young for a mother to go out to full-time work. Need to be around to talk to them even when they're at school at 17 or 18. But you do have to do some part-time work for your money."* (Other Employed 14+yrs, Qualitative Outcomes Study, 2001)

"Every situation is different. For me there was no problem... Having to go back to work just because your kids are a certain age could be tricky." (Other Employed 14+yrs, Qualitative Outcomes Study, 2001)

"Staff explained the requirements but for me the personal costs to me and my family far outweigh my being at work. My priority is to ensure that my kids are educated well, so they do not become beneficiaries all their lives. I feel strongly this requirement is not fair, as people's circumstances are different and varied." (Pacific DPB 14+yrs, Qualitative Outcomes Study, 2001)

4.3.2.6 Exemptions from the work test

Interviews with Case Managers revealed that most Service Centres had similar reasons for granting exemptions from the work test requirements. These were:

- sickness – parents and/or children
- home schooling
- caring for children and/or family members with disability/special needs
- clients over 55 years.

The work test process allows an automatic exemption for DPB and WB recipients over the age of 55 years. Case Managers stated that all other discretionary exemptions were granted on a case-by-case basis and that a common-sense approach was normally taken.

This finding is consistent with the monitoring data. As of year-to-date April 2001 data, less than half of all DPB (45%) but almost all (95%) of WB recipients were subject to some level of obligation to participate in employment/training based on the age of their youngest dependent child (Table 15). Of DPB recipients subject to reciprocal obligations ("liable"), a small proportion (7.5%) had this requirement waived[55] for reasons such as having a younger child in care or with special needs, or being pregnant or sick/invalid. In contrast, a large proportion of liable WB recipients (52.7%) had their reciprocal obligation waived, mainly on the basis of age (55+).

Table 15: Reciprocal obligations of DPB and WB recipients by age of youngest child

	June 1996 - January 1999				*February 1999 - April 2001*			
Age of youngest child	*0-5*	*7-13*	*14+ / none*	*Total*	*0-5*	*7-13*	*14+ / none*	*Total*
DPB recipients								
Of total DPB recipients	55%	30%	15%	100%	55%	35%	10%	100%
Reciprocal obligations [1]	None	Annual	Part-time		Annual	Part-time	Full-time	
Obligations waived [2]	-	2%	4%	2%	1%	11%	29%	8%
Meeting obligations [3]	-	-	6%	1%	-	23%	16%	10%
Liable [4]	-	98%	90%	97%	99%	66%	55%	82%

[55] Waivers are either full exemption from reciprocal obligations or deferral to be reviewed at a later date.

Table 15 (Continued)

	June 1996 - January 1999				*February 1999 - April 2001*			
WB recipients								
Of total WB recipients	5%	11%	84%	100%	5%	13%	82%	100%
Reciprocal obligations [1]	None	Annual	Part-time		Annual	Part-time	Full-time	
Obligations waived [2]	-	2%	4%		1%	28%	60%	53%
Meeting obligations [3]	-	-	3%		-	17%	5%	6%
Liable [4]	-	98%	93%		99%	55%	35%	41%

1: Annual: attend annual planning interview; Part-time: looking for part-time training or employment; Full-time: looking for full-time training or employment.
2: Not required to meet reciprocal obligations.
3: Participating in either training or employment sufficient to meet either their full-time or part-time reciprocal obligations.
4: Can be required by Case Managers to participate in appropriate forms of employment assistance.
Base: Average of 110,859 recipients between June 1996 and January 1999 and 107,741 for February 2001 and April 2001.
SOURCE: DWI administrative data, 2001

Interviews with Case Managers did reveal some variation in terms of how Case Managers decided to grant an exemption to DPB and WB recipients who were caring for children or family members with special needs. Some Case Managers interviewed required the DPB or WB recipient to be in receipt of the Disability Allowance, whereas other Case Managers interviewed were more flexible about the type of evidence they accepted, for example a doctor's certificate.

The qualitative outcomes research found that few respondents realised that they might have been exempted from the requirements or that an exemptions policy might mitigate what they saw as a blanket requirement with regard to looking for work, especially full-time work.

4.3.2.7 Non-compliance with the work test

Sanctions for non-compliance with the work test requirements

If a benefit recipient fails without a good and sufficient reason to comply with their work test obligations, their benefit may be reduced or stopped. Before a sanction is imposed, Case Managers are required to review what was expected of the client and to ensure the expectation is still reasonable. The sanction imposed depends on how often the client has failed to comply with their obligations in the previous 12 months while on the current benefit. Table 16 provides details of the sanctions applicable under the DPB and WB work test process as at 1 July 2001.

Table 16: Sanctions for non-compliance with the work test

Failure	*Sanction*	
	Primary/Client	*Sole Parent*
Grade 1,2,3 failure Client when required refuses to co-operate in developing or signing their Job Seeker Agreement Client refuses to accept an offer of suitable employment Client refuses to attend a mandatory interview Client refuses to attend an interview for suitable employment Client does not attend a work focus interview Failure when required to attend or complete a Yearly Planning Meeting or Work Preparation Activity Failure to attend, leaves or fails to complete training or any other activity as outlined in their Job Seeker Agreement	1st and 2nd Offence: Benefit suspended until client re-complies (If a client re-complies within a week for the 1st and 2nd failure, no loss of benefit) 3rd Offence: 13 week non-entitlement period (The benefit is cancelled for 13 weeks. The client must reapply at the end of that period if they wish to receive benefit) (Grade 3 Re-compliance activity can apply)	1st and 2nd Offence: 50% benefit reduction until client re-complies (If a client re-complies within a week for the 1st and 2nd failure, no loss of benefit) 3rd Offence: 13 week non-entitlement period 50% benefit reduction until client re-complies (Grade 3 Re-compliance activity can apply)

SOURCE: Interviews with Case Managers, 2001

The qualitative outcomes research uncovered examples of benefit recipients being given what they believed to be incorrect information about sanctions. Some participants reported being threatened or given information that did not take into account the requirements of the benefit reforms, as they understood them. This led not only to confusion, but also in some cases to financial hardship and disillusionment with the reforms and their delivery:

"I'm not sure about the reforms and the information. I was told – I had a verbal threat and a statement. But I wasn't sure what it meant and each of the Case Managers seemed to be unaware of my circumstances." (Māori DPB 0-5 yrs, Qualitative Outcomes Study, 2001)

"On a visit to WINZ in an interview I was told that I had to find alternative courses and training and alternative childcare or my benefit would be reviewed. They did not consider my circumstances at all or support me or the training I was doing. I just need the finance to pay for my qualifications." (Māori DPB 0-5 yrs, Qualitative Outcomes Study, 2001)

"I can remember getting a lecture that they expected me to train or get employment, But it was irrelevant because I was already in training. They didn't inspire me to do anything, they made it difficult. I appealed the decision but they didn't allow it, because it was a post-graduate course. They didn't give me any financial assistance. I was annoyed as this was training obviously leading to employment. If you were prepared to help yourself they wouldn't help you. You have to be desperate and unmotivated before they are interested." (Other Employed 7-13 yrs, Qualitative Outcomes Study, 2001)

Suspensions for non-compliance with the work test requirements

Prior to the DPB and WB recipient's annual renewal date, the system generates an appointment letter and loads a possible benefit suspension date. For the non-work tested group, unless the Case Manager confirms that an interview has taken place, the suspension is automatically activated. For the work tested groups, a dual process applies. The Case Manager needs to enter the date of the interview in the SWIFTT database *and* to enter or confirm enrolment in the SOLO database. Failure to complete both of these tasks will result in the benefit being automatically suspended.

Although Case Managers interviewed did not admit to having inadvertently caused a benefit suspension, they stated that they found having to work on dual information systems (SOLO and SWIFTT) time consuming and frustrating, as well as increasing the likelihood of mistakes being made. There was little evidence in the qualitative outcomes research of benefits being suspended by mistake although one respondent stated: *"They cut my benefit because there was no record that I had been to an interview. It was reinstated in days after they realised I had talked to another Case Manager."* (Other DPB 0-5 yrs, Qualitative Outcomes Study, 2001)

Case Managers interviewed added that the threat of suspension usually generated the recipient into making contact with their Case Manager. In a small number of cases, Case Managers reported that it was not until the benefit was suspended that clients were motivated to make contact with their Case Manager.

Cancellations for non-compliance with the work test requirements

There are provisions to cancel benefits if DPB and WB recipients fail to meet the requirements of the work test process. However, all of the Case Managers interviewed said that cancellation provisions were rarely, if ever, enforced.

Case Managers interviewed stated the main reason they did not want to cancel DPB and WB benefits was because of the impact that cancellation would have on the family: *"Don't even look at cancellation...there are children involved."* (Interviews with Case Managers, 2001)

"When you cut off the DPB you cut off the income to the family." (Interviews with Case Managers, 2001)

In addition, the interviews with Case Managers revealed a possible consequence of cancelling a benefit is that the individual Case Manager will be exposed to pressure from advocacy groups, and possibly be subject to scrutiny from a client's local Member of Parliament. Case Managers interviewed cited examples where Service Centre and Regional Managers, wanting to avoid negative media exposure, failed to support Case Manager decisions to cancel benefits. This potential lack of support further reinforced Case Managers' reluctance to apply the cancellation provisions of the work test process: *"If we did something like that they'd (beneficiary) go to their local MP then all hell will break loose...then we'll end up reinstating it...it's not worth the hassle."* (Interviews with Case Managers, 2001)

Although some Case Managers reported they had grounds for applying a cancellation, the process was complex and time-consuming. In addition, Case Managers commented that it was relatively easy for clients to undertake acceptable job search activities in order to have their benefit reinstated and that this led to them being reluctant to apply the cancellation process.

4.4 The implementation of key facilitative and assistance measures, including PPS, and new and extended provision of entitlements

The 1999 DPB and WB reforms included provision of a package of changes to facilitative assistance, financial incentives and childcare subsidies – as well as changes to reciprocal obligations. This package included:

- increased funding for facilitative measures:
  - to cope with increased demand for existing support (e.g. case management and job search assistance)
  - for new initiatives (e.g. a post-placement support pilot, and enhanced assisted job search measures)
- measures which provided financial incentives, or addressed disincentives, for sole parents to work, including:
  - access to an employment transition grant
  - a freeze on benefit debt repayment for up to 91 days
  - access to the payment record of the non-custodial parent
  - increased childcare subsidies
  - establishment and funding of out-of-school care (OSCAR)
  - changes to the Child Support Act to allow access to the payment record of non-custodial parents (alerting custodial parents to the potential amount they could receive directly once off benefit).

To estimate the effectiveness of these factors, it is important to establish how they were implemented, and the scale and scope of implementation. The following section attempts to do this by providing information from Case Managers interviewed about their understanding of the changes and their administration of these changes (this information is based on the implementation evaluation). In addition to the information from Case Managers, this section provides information from DPB and WB recipients about their experience of these measures.

4.4.1 Level of awareness of assistance measures by DWI Staff

Case Managers interviewed indicated that DWI staff awareness of measures to address financial barriers to employment associated with the DPB and WB reforms was relatively high, although exceptions to this were the employment transition grant and to a lesser extent the option to freeze benefit debt repayments. Additionally, Case Managers interviewed were generally not aware that the measures had been designed as a package to assist clients into work.

Most Case Managers interviewed had received training at the time the measures were introduced. In addition to training offered, information about the individual measures was available on DWI's Intranet site and support people within the respective Service Centres were also available to assist staff.

4.4.2 The operation of the facilitative and assistance measures in practice

4.4.2.1 Case Manager practice regarding the facilitative and assistance measures

Case Managers interviewed revealed they did not deliver information in a consistent manner on assistance measures to DPB and WB recipients either within or across Service Centres.

As previously mentioned, Case Managers interviewed were generally not aware that the measures were intended to be offered as a package and therefore they did not actively promote the measures as a whole when working with clients who were considering employment.

Staff commented that they almost always discussed childcare and OSCAR availability and subsidies, as well as child support payments, because of the need to work out the likely financial position of the client once working. This generally occurred as part of the normal case management process when focusing on employment goals, or at the time of the client's exit interview.[56]

Case Managers interviewed reported that they saw the exit interview as an opportune time to make a concerted effort to inform clients about the range of available assistance (including the benefit reform package of measures) from DWI and IRD to facilitate re-entry into the workforce. In addition, it was also a time when staff stated that they encouraged clients to contact them if they encountered any problems, particularly financial concerns, as a result of the client's move into paid employment.

Some staff stated that they did volunteer information about the employment transition grant as part of their normal case management process with DPB and WB recipients. Other staff said that they only specifically discussed the grant with DPB and WB recipients if recipients sought additional assistance to cover financial difficulties once in employment. For some staff, participating in the evaluation was the first time they recalled hearing about the employment transition grant. Some Case Managers interviewed, particularly those that had experience as Compass co-ordinators, stated that they provided this information as part of their normal case management process.

Rather than explain the full range of available assistance measures (including the benefit reform package of measures) Case Managers interviewed appeared to place the onus on clients to make contact with them should the client encounter any difficulties: *"We tend to have a good relationship with our clients, such that they will ring up if they want assistance."* (Interviews with Case Managers, 2001)

Case Managers interviewed also stated that encouraging DPB and WB recipients to contact them was a pragmatic approach to overcoming the general lack of time during the case management or exit interview process and the sheer volume of information which made it very difficult to cover all of the available assistance measures: *"Most Case Managers can deduce when things aren't right and then advice can be given."* (Interviews with Case Managers, 2001)

4.4.2.2 DPB and WB recipient experience of the facilitative and assistance measures

As part of the survey three types of assistance were examined of sole parents who had left the benefit for employment. Amongst this group, awareness of the childcare subsidy for pre-school children was greatest, with 73% of those eligible for this subsidy being aware of it, compared with 50% for the Employment Transition Grant, and 47% for the OSCAR subsidies for school-aged children. Awareness of the last two subsidies appears to be related to length of time in receipt of financial support – the greater the time receiving a benefit, the more aware the respondent was of assistance and subsidies available to them.

The "conversion" from those aware of the relevant subsidy to those taking it up was also greatest for childcare subsidies for pre-school children. Sixty-two percent of those eligible and aware of this subsidy had taken one up, compared with 58% for the Employment Transition Grant, and 21% for the OSCAR subsidies.

Particularly for the Employment Transition Grant and OSCAR subsidy, a lack of a need for the type of assistance offered was cited as a common reason for not taking up a grant or subsidy, most commonly among those with older children. A preference for having children minded by someone known to the respondent (family or friends) rather than an external organisation was also frequently cited as a reason for not taking up the assistance available.

The Qualitative Outcomes Study with DPB and WB recipients found that a large number of respondents were unaware of assistance or subsidies they were eligible for. Among those who were aware at the time of the study, some were not informed of the assistance at the time when they would have been eligible for it.

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[56] An exit interview is normally offered to DPB and WB recipients when cancelling their benefit. The decision to take up the offer of an exit interview, however, is at the client's discretion.

There was considerable variation in what participants knew and understood of the reforms. However, there was a widespread view among participants that they were not receiving the degree of assistance that they were potentially entitled to.

Experience of the facilitative and assistance measures by ethnicity

Within the Qualitative Outcomes Study, Pacific participants were generally more likely to report receiving practical assistance from DWI. This group gave examples of more individualised help to take up a course or with job search, and reported the best relationships with their Case Managers. This may have been either due to actual receipt of assistance, or because this group were less likely to criticise the service received. However, there were also some strongly critical remarks from Pacific participants.

Of all the groups in the study, Māori had the least knowledge about assistance available.[57] Māori particularly noted poor communication and other problems with Case Managers. Māori participants complained that they:

- were unable to get appointments and often had appointments postponed
- found the letters they received difficult to understand and apply to their particular circumstances
- found it difficult to develop a rapport with their Case Manager because of high Case Manager turnover.

4.4.3 Access to Employment Transition Grant

4.4.3.1 Case Manager implementation of the Employment Transition Grant

Case Managers interviewed reported that they tended to use an emergency food grant to cover any financial shortfall as opposed to the Employment Transition Grant. From the perspective of Case Managers interviewed, approving an emergency food grant was less onerous for DPB and WB recipients who are required to provide proof from their employer that they were absent from work and had no sick leave provisions in order to qualify for an Employment Transition Grant. Further, Case Managers interviewed commented that approving an emergency food grant meant that DPB and WB recipients did not have to reveal to their employer or work mates that they were still receiving some form of income support, which some clients told them they were ashamed to do.

4.4.3.2 Ex-DPB recipient experience of the Employment Transition Grant

Table 17 shows that half of all respondents (50%) were aware of the Employment Transition Grant, with Māori respondents being significantly more aware of the Grant (52%) than Pacific Peoples (38%). There was no significant difference in the level of awareness of the Grant by age of youngest child.

Table 17: Awareness of Employment Transition Grant (%) (by ethnicity)

	Total Sample (n=1016)	*Māori (n=267) A*	*Pacific Peoples (n=106) B*	*Other (n=643) C*
Aware of Grant	50	52 ↑B	38	50
Unaware of Grant	50	48	62	50

Base: All respondents.
Significant differences are reported at the 95% confidence interval.
SOURCE: Survey of sole parents who left the benefit for employment, 2001

Of those respondents aware of the Employment Transition Grant (503), just under three in five (58%) had taken it up. Twenty-nine percent of the total group of respondents eligible to take up the Grant had done so (Table 18).

[57] However among those who had left the benefit for employment, Māori respondents were significantly more aware of the Employment Transition Grant (52%) than Pacific Peoples (38%).

Respondents with a youngest child aged under 14 years were significantly more likely to have taken up the Grant than those with a youngest child 14 years and over. There were no statistically significant differences in uptake of the Grant by ethnicity.

Table 18: Uptake of Employment Transition Grant (%) (by age of youngest child)

	Total Sample	*Child < 6 Years (n=162) A*	*Child 7-13 Years (n=243) B*	*Child 14+ Years (n=97) C*
Uptake by those aware of Grant (n=502)	58	61 ↑C	60 ↑C	46
Uptake – all respondents eligible (n=1,016)	29	29	31	22

Significant differences are reported at the 95% confidence interval.
SOURCE: Survey of sole parents who left the benefit for employment, 2001

The greatest share of respondents aware of, but not having taken up, the Employment Transition Grant (34%) stated that they did not do so because they did not need this type of assistance or support. Fifteen percent stated that they did not know about the Grant at the time, while a further 15% stated that they were not eligible. There were no significant differences in the reasons given by ethnicity, however respondents with older children were more likely to mention not needing assistance or support. Other reasons are listed in Table 19.

Table 19: Reasons for not taking up Employment Transition Grant (%) (by age of youngest child)

	Total Sample (n=205)	*Child <6 Years (n=62) A*	*Child 7-13 Years (n=94) B*	*Child 14+ Years (n=49) C*
Didn't need assistance/support	34	24	40 ↑A	42 ↑A
Didn't know about it at the time	15	15	13	24
Not eligible	15	18	12	18
Want to be completely independent of DWI	9	8	13	4
Unsure as to whether I was eligible	7	7	7	5
Didn't seem worth the effort of applying	4	3	6	0
Lack of support/encouragement from Case Manager	3	7	2	0
Didn't understand how assistance/support worked	3	4	3	0
Too busy/didn't have time	3	1	5	3
Don't know	5	11	1	2

Base: Those aware of Employment Transition Grant but didn't take up.
Note: Multiple responses to this question encouraged. Consequently the columns may total more than 100%.
Significant differences are reported at the 95% confidence interval.
Sample sizes for those with the youngest child under 6 years of age, or 14 years and over, are small - consequently, results for these groups should be considered indicative only.
Table lists those reasons mentioned by five or more respondents.
SOURCE: Survey of sole parents who left the benefit for employment, 2001

4.4.4 Freezing benefit debt repayments

All the Case Managers interviewed said that they were aware of the facility of freezing benefit debt repayments for DPB and WB recipients returning to work. However, a frequent issue raised by Case

Managers interviewed was the role of the DWI Debt Collections Units. The Units are responsible for the monitoring and collection of monies owed to the department. From the perspective of Case Managers interviewed, some regional Debt Collections Units appeared not to take into account the financial arrangements negotiated between Case Managers and their clients. Confusion arose when Case Managers would agree on the debt repayment amount with DPB and WB and then the Collections Unit would subsequently send out a letter with a different debt repayment amount, in most cases at a higher level. In order to resolve the situation, Case Managers interviewed tended to deal directly with the Collections Unit: *"You just have to get them (Debt collections Unit) to understand that if you take too much now they'll be back on the benefit and then what?"* (Interviews with Case Managers, 2001)

Most Case Managers interviewed said that these incidents seldom occurred and that if detailed notes of a client's situation were recorded on the client's file, then the matter was usually resolved with minimal disruption. In one region, however, there was a feeling that the Collections Unit was overly aggressive in pursuing debt repayment and from the perspective of staff appeared to automatically request increased repayment amount, irrespective of the file notes made by Case Managers. This created unnecessary anxiety for the client and increased the workload of the Case Manager who had to resolve the situation.

4.4.5 Perceptions of the "package" of facilitative and assistance measures

4.4.5.1 Case Manager perceptions of the "package"

Most Case Managers interviewed felt that the measures were useful in alleviating some of the anxieties felt by DPB and WB recipients when re-entering the labour force. The measures were also believed to increase income levels of DPB and WB recipients and to go some way towards addressing any financial disincentives that arose from working.

Most Case Managers interviewed strongly believed that if DPB and WB recipients were given support, especially in the initial stages of work and for a reasonable period afterward, there was an increased likelihood that clients would remain in employment.

4.4.5.2 DPB and WB recipient perceptions[58] of the package

In general, participants in the DPB and WB Qualitative Outcomes Study questioned whether the assistance measures were actually helping them. Very few reported receiving any practical help. In some cases, where assistance was received it was not considered to be adequately focused on their particular needs. Problems identified by participants included:

- no practical assistance in either seeking work or starting up work
- no assistance or contact after they had started work to see how things were going
- being prevented from undertaking training if they were in work, or if their child was 14+
- being prevented from seeking further or advanced qualifications if they had already undertaken education/training.

Participants were concerned that the reforms did not appear to be associated with effective provision of assistance. The type of assistance sought ranged from career and training specification, financial support for training and job entry, increased childcare assistance, and, most critically, experienced Case Managers who understood their particular situations, and who were consistent in the information about, and calculation of, entitlements.

The Qualitative Outcomes Study suggests that more attention needs to be given to supporting recipients to remain in employment (whether they have left the DPB and WB or not). On beginning employment, some participants entered very precarious situations where they were confronted with childcare problems, debt and insufficient earnings. Well-targeted assistance at this point may have given them a platform from which to establish a secure financial position.

[58] The views listed under perceptions of DPB and WB recipients come from the DPB and WB qualitative outcomes evaluation.

As far as the participants were concerned, the reforms did not address the real barriers to moving from the DPB and WB into paid labour, including:

- the lack of certain and well-paid part-time or, often, full-time work
- poor access to training and upskilling and, for women, their long attachment to the secondary labour market
- the costs of entry to education/training and the labour market
- childcare and supervision.

Additionally, participants identified aspects of DWI service that reduced the effectiveness that the assistance measures might have had on their own and their children's well-being, as well as their chances of exiting DPB and WB receipt. Those included:

- high turnover of Case Managers
- Case Managers' lack of understanding of labour market conditions and education/training opportunities
- errors in advice regarding abatements, earnings and taxation which led to debt problems
- lack of information about the range of assistance available
- high transaction and compliance costs of reporting earned income, particularly where weekly earnings and hours varied.

4.4.6 Constraints on the delivery of measures

From the perspective of Case Managers interviewed, time was the main constraint on their delivery of assistance measures to DPB and WB recipients. Case Managers interviewed considered their high caseloads - between 280 and 220 clients[59] - to be the primary reason for this.

DPB recipients interviewed identified several aspects of DWI's service that they perceived reduced the effectiveness of the assistance measures. These included:

- high turnover of Case Managers
- a perception Case Managers lacked understanding of labour market conditions and education or training opportunities
- errors in advice regarding abatements, earnings and taxation which led to debt problems for sole parents
- uncertainty about the rules surrounding their entitlements under the reforms and a perception that they received insufficient information about the range of assistance available to them
- difficulties reporting earned income, particularly where weekly earnings and hours varied.

4.4.7 Application of measures not related to the DPB and WB reforms

4.4.7.1 Training Incentive Allowance (TIA)

Case Managers interviewed frequently referred to the Training Incentive Allowance, despite it being a separate reform measure. The main concern centred on the difficulty faced by Case Managers interviewed in determining what constituted suitable training within the TIA. Case Managers interviewed described the TIA policy as too discretionary, resulting in inconsistent application by staff, to the point where variations were occurring within a service centre.

One example, given by staff interviewed, of the variable application of TIA was an instance where a Case Manager funded a non-work tested DPB and WB recipient for the first year of tertiary studies with the expectation that the client would apply for a student loan for subsequent years. Another Case Manager in the same service centre had agreed to TIA funding of a non-work tested client for their second year of study. Awareness of this differential application only arose out of the discussions that emerged in the evaluation interview.

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[59] DWI Head Office reported that as at August 2001 the average caseload per Case Manager was 195.

Another service centre had a policy of only granting TIA for training courses that were deemed to have a work-related goal and be related to the demands of the local labour market. Accordingly, general interest courses such as hypnotherapy were excluded even though they could potentially lead to employment. Another variation was where non-work tested clients were being funded for their first year of tertiary studies, while part-time work tested clients were instead encouraged to consider employment focused training activities. Further, other centres appeared to have less stringent policies where the TIA was granted for a range of long- and short-term courses.

Overall, staff reported a large degree of variation in the application of TIA, both within and across service centres, and expressed a desire for clearer guidelines to be developed: *"We need a more defined policy...it's just too discretionary."* (Interviews with Case Managers, 2001)

4.4.7.2 Interaction with the Inland Revenue Department (IRD)

Interviews with Case Managers revealed that an issue of concern for staff was the interface between DWI and IRD and between clients and IRD. Staff commented that IRD played a critical role in delivering assistance to low-income families and to DPB and WB recipients and that financial assistance needed to be received by clients as soon as possible to facilitate their transition to work and to contribute to improved employment retention outcomes.

Staff stated that some clients found working between the two agencies frustrating and stressful. Of particular concern was the length of time required by IRD to process assistance applications. Staff felt that the IRD processes did not appear to take account of the particular needs of this client group who tended to have minimal financial reserves and who consequently needed to make immediate application for Family Assistance. In some instances, DPB and WB recipients had to wait six to eight weeks before family support claims were processed.

While outside the scope of the survey of those who had left the benefit for employment, a number of respondents volunteered comments on IRD. Some participants' comments are presented below:

"WINZ and the IRD need to communicate. When one leaves WINZ, WINZ do not inform IRD that you no longer receive DPB, and I need to get a letter from WINZ to the IRD with this information. Family Support from IRD is there when you are on the benefit and therefore IRD and WINZ need to connect on some level. When leaving DPB, you need to apply for IRD. To do that, you need a letter from WINZ and I did not know that was not automatic. There should be a standard letter coming automatically, showing the amount received from WINZ in the last financial year and the fact you are receiving no benefits, to give to IRD."

"WINZ really does need to let people know that if they are working and they earn so much, they need to go through IRD for Family ... It depends on the Case Manager how helpful they are."

"I took the allowance for Enterprise Allowance and my business did not work out. Owed WINZ $4,300 and am paying back weekly amount. The Government wanted tax on $5,000 but WINZ did not tell me about this and also GST - all hidden costs I was not informed of. I found out about this eventually from my accountant. I am still paying those loans off which puts me into a worse state than I was before. I am paid Family Assistance from IRD. When I started the cafe manager job, I had to pay the IRD $400. I was not informed so in the end I have ended up with $5,000 debt. There is no communication between WINZ and the Inland Revenue Department."
"From the time that I went to WINZ and applied for the DPB, I was told that this was going to be Child Support and that the father of my child was going to pay the money. I did not understand that the money was being subsidised by the Government. When I found a job, I told WINZ and they did not inform IRD, which is what they were supposed to do. Subsequently I received no payment from the father or any other money from November 6th until mid March - which meant I had to live off my savings and created a stressful period of time. Several times I tried to work out why I was not receiving money and went to WINZ - WINZ said that it was IRD that must have lost the paper work...."

"Case Manager was really useless - missed cut off dates for Family Assistance, didn't pay me - had to demand some money - nightmare."

"When I did leave DPB, they were quite vague about giving me information about Family Support. Any information directed to Inland Revenue but did not tell me why. It was 2-3 months before I went to Inland Revenue. WINZ did not make this clear - without this extra, I found this hard."

4.5 The implementation and on-going operation of changes to increase child care subsidy and supply of childcare

The payment system for the OSCAR subsidy had some significant performance problems in its first year of operation. These problems were apparent in:

- payment errors
- delays in application processing
- overpayments and underpayments due to difficulties with capturing information about patterns of child attendance, absences and providers.

In the first year of implementation, the take-up of the OSCAR subsidy was considerably lower than that envisaged by the Government when it extended childcare payments to cover OSCAR services. In May 2000, there were only 1,130 parents nationwide in receipt of OSCAR subsidies.

Those parents who had accessed the OSCAR subsidy reported that the application process was tedious, fully of delays, complex and required a high level of on-going management because of the attendance reporting and declaration processes.

The evaluation of the OSCAR payment system showed there was an almost universal lack of understanding or awareness of the OSCAR subsidy among parents with school-aged children who were eligible for OSCAR and were already receiving the early childhood care subsidy (CCS). In all the focus groups held with parents receiving the CCS subsidy, there were parents needing out-of-school care who had not been advised by a Case Manager of the OSCAR subsidy.

Parents receiving OSCAR subsidies were not surprised by the lack of knowledge about OSCAR among parents. They believed it reflected a generalised lack of information provision and knowledge about OSCAR among Case Managers.

Parents also complained of delays in starting OSCAR payments. They also noted overpayment problems, application forms being lost, and receiving contradictory information about whether the OSCAR subsidy had been approved or not. Parents found it difficult to get those problems resolved.

Case Managers interviewed noted two difficulties with the OSCAR subsidy in its first year of operation. Firstly, Case Managers had to deal with childcare subsidies in two distinctly different ways. The CCS for early childhood care was paid to providers and the OSCAR subsidy was paid to parents. The duality of the payment system in itself generated some confusion.

Secondly, entitlement to OSCAR subsidy was dependent on parents using accredited providers. The process of accreditation was to be undertaken by the Child, Youth and Family agency. In recognition that the process of accreditation would take some time and this might generate a shortage of accredited providers, particular categories of providers were given interim accreditation. Two problems emerged for Case Managers and parents, however. There was:

- limited progress in final accreditation of interim as well as new providers
- no efficient mechanism developed for conveying to Case Managers easily accessible and up-to-date information on the accredited OSCAR providers in their area.

Case Managers interviewed suggested that the OSCAR subsidy had not captured the attention of Case Managers. This was partly because Case Managers had not been adequately trained in the processing or

intent of the OSCAR subsidy. Case Managers participating in the focus groups suggested that most Case Managers did not see OSCAR as a priority when they were struggling to manage their caseloads of clients receiving core benefits such as Unemployment, Domestic Purposes, and Sickness benefits.

Case Managers were given limited training on the OSCAR subsidy. In addition, Case Managers were not able to experience the automated payment processing system in a hands-on situation until the system went live in February 1999.

For many DWI offices, the problems experienced with processing early childcare payments meant that:

- promotion of the OSCAR subsidy to parents became a peripheral activity even to those Case Managers with a particular interest in the sector
- Case Managers became wary of the SWIFTT processing system in relation to any childcare payment.

All those factors led to situations where some Case Managers avoided dealing with the OSCAR subsidy and remained confused about it, and where parents were not encouraged or actively assisted in dealing with what Case Managers described as a complex application and compliance regime.

4.5.1 OSCAR and PPS as examples of implementation issues

4.5.1.1 Implementation of the OSCAR subsidy

The extension, in February 1999, of a parental subsidy to low-income parents for OSCAR services was one of the assistance measures introduced as part of the DPB and WB reforms. The subsidy was seen as one method of both reinforcing and assisting parents to meet the obligations introduced under the reforms.

This new payment system was to be implemented by the DWI, and reflected an attempt to:

- automate a previously manual system of subsidy payments for early childcare (CCS)
- make some relatively minor changes in the existing operational policy related to the early childhood care entitlements
- extend childcare subsidy payments to a new set of previously unsubsidised OSCAR services (known as the OSCAR subsidy).

An evaluation of the new payment system (DWI 2000) showed there were significant implementation issues during the first year of operation that impacted on DWI staff, OSCAR providers and parents.

The introduction of the subsidy had occurred within a period of major restructuring. DWI was four months old when the new payment system went "live". Staff were struggling to manage large non-specialised caseloads of clients.

Case Managers had to deal with the OSCAR subsidy in a different way to the early childcare subsidy (CCS). The CCS was paid to providers and the OSCAR subsidy was to be paid to parents. The duality of the payment system in itself generated some confusion amongst Case Managers.

DWI staff suggested they had not received adequate training in the policy, processing or intent of the OSCAR subsidy. Case Managers were not able to experience the automated payment processing system in a hands-on situation until the system went live in February 1999.

When the automated system went live, it did not perform as intended. This resulted in significant processing errors.

For many DWI offices, the problems experienced with processing early childcare payments meant that:

- the promotion of the OSCAR subsidy to parents became a peripheral activity
- Case Managers became wary of the SWIFTT processing system in relation to any childcare payment.

All these factors led to situations in which some Case Managers avoided dealing with the OSCAR subsidy and remained confused about it, and parents were not encouraged or actively assisted in dealing with what staff described as a complex application and compliance regime.

Many parents reported problems with the application process, stating that the process was full of delays and required on-going management because of the attendance reporting and declaration processes. Parents also noted problems with over payment and under payment of the subsidy.

The majority of providers felt that neither they nor parents received adequate information about the OSCAR subsidy or the procedures that DWI intended to use to administer the subsidy. Problems encountered by providers included:

- managing additional administration time and cost
- having to wait for fees while parents' subsidies were approved.

4.5.2 Implementation issues: Post-Placement Support pilot

The PPS pilot was developed to assist sole parents who had left the benefit to remain in employment through the provision of on-going support.

The PPS pilot began in July 1999, and ran for 13 months in four regions: South Auckland, Hawke's Bay, Wellington and Christchurch. The pilot used two different delivery models – one with DWI's Case Managers, and the other with contracted community providers.

The intended services to be offered as part of the pilot included monitoring and support of the participants in their employment, and advice and help to access information and assistance as required. PPS was intended to help participants as necessary with time management, budgeting and money management, accessing financial assistance, mediation with employers and referrals to other agencies.

The achievement of the expected improved outcomes (employment retention) for participants was based on the assumption that PPS services would occur as planned. However, the evaluation of PPS has shown that PPS services were implemented and delivered in a variety of ways that significantly differed from that intended by the programme designers.

Implementation of the pilot was constrained by the lack of resource available to fund the provision of the PPS service, and by the tight time frames in which the pilot was required to be operational.

There were difficulties with:

- identifying clients who met the eligibility criteria to participate in PPS
- making contact with clients to invite them to participate in PPS
- recruiting sufficient numbers of clients to participate (in both the internal and contracted service).

The "target group" for the PPS service consisted of all sole parents in the pilot sites who cancelled their DPB receipt to move into "permanent" employment during the period 1 July 1999 to 30 June 2000.[60]

Since the intention of the pilot was to ascertain whether the PPS services assisted clients to remain in employment, it was intended that PPS be offered only to clients leaving the benefit for employment with some expectation of permanence or longer-term duration, rather than a casual, temporary or short-term position.

However, difficulties were experienced in identifying the level of permanence of employment, as DWI does not collect this information when clients cancel their benefit. Further, it became apparent that clients themselves often either did not know, or had incorrect information, about the permanency of the position.

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[60] The working definition of "permanent" employment for the purposes of PPS was aligned with the Department's measure of stable employment, that is, employment that would last at least 91 days.

There was some thought that the exit interviews could be used to more closely target potential participants on the basis of "need" at the time of benefit cancellation. However, this approach was not adopted in the formal PPS process, and while some Co-ordinators may have applied such a technique, it was not done systematically or consistently.

Several months into the pilot it became apparent that the contracted providers were not receiving the contracted level of client referrals from the DWI service centres.

For 23% (45) of the 189 clients who accepted the offer to receive PPS, no (further) contact with a PPS provider was recorded. Conversely, at least one of those who declined to participate did have further contact that was recorded as PPS by the provider. Thus it is difficult to attribute outcomes to PPS service when it is not clear who participated, and to what extent.

There are also other factors that are likely to have impacted on (or constrained) the implementation of the PPS service. These include:

- fragmentation of responsibility/accountability for implementation (the project started with the Community Employment Group[61] and then moved to DWI)
- timing of the pilot (shortly after major DWI restructuring).

4.6 Summary of the implementation process

The evaluation work showed the 1999 reforms were hindered by a number of factors, including the complexity of the policy, major organisational reforms occurring within the agency responsible for the roll-out of the changes, restricted and difficult time frames, and varied application of delivery of the changes. As a result it is difficult to confidently attribute outcomes to specific policy changes.

More specifically with regard to the reciprocal obligations:

- several of the evaluation projects found that awareness of the reforms was greatest among sole parent beneficiaries subject to the requirement to find full-time work, those who had been on the benefit for longer, and Pākehā/Other respondents. This suggests the methods of informing recipients of their work test obligations were less effective for some groups. It was noted that letters were not an effective means of communicating with all clients, especially Māori and Pacific clients
- Case Managers interviewed said they put most emphasis into working with the full-time work tested group. Case Managers interviewed said that they spent minimal time discussing work preparation options with clients in the non-work tested group[62] unless the client specifically requested training or employment assistance. Some sole parent beneficiaries in the Qualitative Outcomes Study reported either never having had an annual planning interview or that the interview was very brief. The survey of sole parents who left the benefit for employment found that sole parents in the non-work tested group were least likely to be aware of what the reforms had required of them. The process evaluation stated that high caseloads (e.g. 220 to 280 clients)[63] and the fact no employment outcome is required from the non-work tested group contributed to staff rationalising the time they spent with clients in this way.

The evaluation also found inconsistent application of many of the assistance measures introduced to assist sole parents to enter and remain in employment. There was low awareness amongst some staff interviewed of many of the assistance measures introduced to assist sole parents to enter and remain in employment.

- the evaluation findings suggest that sole parents were not always aware of the assistance they may be eligible for or entitled to when they leave the benefit.[64] Interviews with Case Managers along with

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[61] CEG was within DWI but now sits within the Department of Labour.

[62] They were required to meet with their Case Manager annually to discuss steps to prepare them for work.

[63] DWI Head Office reported that Case Managers had on average 195 cases as at August 2001. Interviews with Case Managers for DPB/WB evaluation and monitoring strategy were conducted in July 2001.

[64] As part of the reforms a range of measures was implemented to provide financial incentives or address disincentives for sole parents to enter employment (refer to Table 1). Sole parents also became eligible for the full range of employment programmes and assistance available to other job seekers.

DPB and WB recipients revealed that recipients were not informed of the measures in a consistent manner by Case Managers. Rather than explain the full range of available assistance measures (including the benefit reform package of measures) most Case Managers interviewed proffer the information they feel is relevant to the client and place the onus on clients to make contact with them should they encounter any difficulties

- considerable implementation issues meant that the Out of School Care and Recreation (OSCAR) subsidy,[65] OSCAR Development Assistance (OSCAR DA),[66] did not operate as intended.[67] As a consequence, access to, and supply of, childcare did not expand to the level anticipated. There were a number of reasons for this, including difficulties with computer payment systems, implementation occurring within a period of major restructuring for DWI, lack of staff training, problems with recruitment of providers and contracting of services, and deficiencies in funding (e.g. funding was not sufficient for the OSCAR subsidy)
- the Post-Placement Support (PPS) pilot[68] did not operate as intended due to a range of factors. For example:
  - insufficient resources to provide the PPS service
  - difficulties with identifying clients who met the eligibility criteria to participate in PPS and in making contact with clients to invite them to participate in PPS
  - difficulties with encouraging people who were no longer clients of DWI to remain in contact in order to receive PPS.

The inconsistent administration of assistance measures, leading to their uneven usage and availability to sole parents, is likely to have reduced their effectiveness in mediating barriers to sole parents' entering and sustaining employment.

4.6.1 Implications for the future administration of policies for DPB and WB recipients

A key finding of the evaluation was that several aspects of the DPB and WB reforms were inconsistently administered. For policies of this nature to be administered as intended, the evaluation suggests the following needs to occur:

- consideration of the context in which the policy will be implemented (e.g. existing workloads of Case Managers, other changes affecting the delivery agency)
- the policy being operationally feasible and able to be clearly translated from the policy agencies through the operational agency and on to the benefit recipient
- sufficient time and resources allowed to implement new programmes and policies
- clear communication of the changes affecting benefit recipients through a variety of sources so that recipients are aware of the changes and how they are affected.

The evaluations of both OSCAR and PPS showed that implementation of these initiatives were problematic. Issues arising from these evaluations were mentioned above but also include the following:

- the requirements on operational staff arising from new policies need to be simple. Current workloads facing front-line staff mean that complex policy options or operational guidelines are unlikely to be adhered to and as a result the policy will not operate as intended
- where comprehensive changes to administrative systems are required, they need sufficient funding and time to be thoroughly tested before the policy comes into effect. This did not happen with the OSCAR payment system, creating significant problems for all parties involved
- changes in policy affecting DPB and WB recipients need to be well-publicised through a variety of sources so those recipients are aware of the changes and of how they are affected.

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[65] The OSCAR subsidy increased assistance for before- and after-school as well as holiday care for low-income parents/caregivers with eligible children. Refer to Table 1.

[66] Development assistance funding ($3.15 million) was to be invested over a two-year period from 1 February 1999 to generate a sustained and accessible set of OSCAR providers and services in disadvantaged communities.

[67] DWI reported they have put considerable effort into resolving these issues since the OSCAR subsidy and OSCAR DA were introduced.

[68] PPS was a pilot programme designed to support sole parents who had left the benefit to remain in employment.

5. Entry to employment

This section examines the dynamics of sole parents' entry into employment, including:

- job search activities and attitudes to work
- the suitability and availability of employment
- training and education
- factors associated with sole parents' entry into employment.

5.1 Job search and attitudes to work

The types of job search activities undertaken by most sole parents reflect a similar pattern to that expected in the general population. The use of social networks for finding work was high, as was looking through the newspaper and following up formal job application processes. Case Managers' assistance with job search was variably reported. In general, participants in the study wanted to make clear that they gained employment without the assistance of DWI.

5.1.1 Attitudes to job search

DPB and WB participants, as a general rule, were highly motivated to gain employment where they considered their family circumstances gave them the freedom to be in employment. Almost a quarter of participants who were in work in the Qualitative Outcomes Study were attempting to improve or sustain their paid employment by actively seeking another job. The major drivers for active job search among this group of participants were a:

- desire to extend work hours
- concern about redundancy or job loss
- desire to move from seasonal to more stable work
- concern to find more flexible working hours
- desire to move from casualised to more permanent work
- desire to move into another occupation or pursue a career
- desire to improve wage or salary rates.

For this group of participants, the desire for paid work was consistent with their long histories of work experience prior to taking up the DPB or WB. The majority of participants within all of the evaluation strategy studies had had prior work experience.

International research generally supports the notion that sole parents are typically motivated to work. Sole parents engage in full-time caregiving and in addition often manage to include part-time employment and education. When sustained examples of paid employment are lacking it is more common to find structural and personal barriers to employment rather than intrinsic characteristics, such as laziness or not wishing to work, as the cause (Albelda and Tilly, 1997; Harris, 1996; Oliker, 1995; Rein, 1982).

When considering the numbers of sole parents who do engage in paid employment at some point over a 12-month period, most sole parents report wanting stable and secure employment (Harris, 1993; Harris, 1996). They view the welfare system as insecure and unreliable as a source of long-term income (Albelda and Tilly, 1997; Fine and Weis, 2000; McLaughlin, Millar and Cooke, 1989; Oliker, 1995). Research shows that most adult recipients of welfare would like to be in the labour force (Colmar Brunton, 1995; Edin and Lein, 1997; Harris, 1993; Harris, 1996; Levine et al, 1993; Oliker, 1995).

5.1.2 Types of job search undertaken

Participants seeking work used a wide variety of job search approaches. These were consistent across all of the studies within the evaluation strategy. Techniques included contacting friends, neighbours, and acquaintances in employment, "cold calling", and newspaper advertisements and other media, including the Internet, to try and find a job: *"I see my friends and acquaintances. I worked with the manager before and I knew the company."* (Other Employed 14+ yrs, Qualitative Outcomes Study, 2001)

"A friend worked there and said that they were looking for part-time workers, so started there working for two days a week in 1997." (Other Employed 14+, Qualitative Outcomes Study, 2001)

"I created the job myself but with family help and encouragement." (Other Employed 7-13 yrs, Qualitative Outcomes Study, 2001)

The survey of those who had left the benefit for work revealed that there were some notable differences in the types of job search activities employed by respondents.

Refer to section 5.1.5 Variation in job search activities according to age of youngest child and ethnicity.

5.1.3 Usefulness of job search techniques

Just under half of all respondents (47%) in the survey of those who had left the benefit for employment stated that applying for positions advertised in newspapers was helpful, or made a difference, when they were looking for work. Two in five (41%) found asking family or friends/word of mouth to be a useful way of finding work, while just under a quarter (25%) wrote to, or called, particular businesses ("cold calling"). The support of the Department of Work and Income was also mentioned by a small percentage of participants in the survey with 6% discussing finding work with their Case Manager, 6% talking to other Department staff, and a further 6% utilising noticeboards and computers at Department offices. However, as is noted later in this section, very few participants in the evaluation studies cited the Department of Work and Income as providing them with assistance to find paid employment. Seven percent of respondents mentioned finding work through more passive means, such as having an employer approach them, or having a part-time position becoming full-time (Table 20).

For information on variations in the usefulness of different job search activities by age of youngest child and ethnicity refer to section 5.1.5 Variation in job search activities according to age of youngest child and ethnicity.

Some participants, specifically Post-Placement Support (PPS) clients, had found work experience or part-time work through their participation in training courses, and then used that as an avenue to full-time work. PPS participants described using work experience and casual or part-time work to try out a particular kind of work on a trial basis. After finding that they liked the work and their co-workers, and that the work was manageable alongside their childcare responsibilities, they made an approach to the employer and sought full-time work. The major advantage of this approach was that people could graduate themselves into full-time work knowing that it was a job that aligned with their personal circumstances: *"I knew what I was getting. My son was used to meeting me there after school and the boss was really friendly towards him and didn't mind him sitting in my office as long as I was getting my work done. Which was a big relief, because I didn't want him home on his own. At his age [16] they could be having sex or anything."* (Woman of 50, starting full-time work for the first time, PPS evaluation, 2000)

A small number of participants, as already mentioned, had been assisted in their job search by a Case Manager or other facilities available through DWI. The Qualitative Outcomes Study also indicated that for some participants support from the Department of Work and Income in finding work was important, particularly for those who had been in receipt of a benefit for some time.

However, a consistent theme across all studies was that most participants found their own jobs independently of DWI. Participants in the Qualitative Outcomes Study reported that irrespective of whether they were seeking part-time or full-time work, the participants in paid work generally found work without DWI assistance. Only a few individuals identified any job search assistance received from DWI, and none said they had received a job directly through DWI, although receiving assistance with initial costs such as clothing and travel to take up work which had been found was not uncommon. Many participants, especially Māori and Pacific participants, attempted to minimise their contacts with DWI, which meant that they tended not to ask for specific training or job search assistance: *"I had no contact with WINZ. I got my job through my neighbour. I did voluntary work then that led to paid work and then full employment."* (Māori Employed 14+ yrs, Qualitative Outcomes Study, 2001)

It is clear from the data that job search is just one of a series of factors that determine whether and how participants enter the labour market. However, the availability of childcare, skills and qualifications, and levels of local labour market demand appear to be more important than any particular job search technique.

5.1.4 Did the work test encourage sole parents to undertake job search activities?

There is evidence to suggest that DPB recipients, particularly those with a youngest child aged 14 and over, found the work test increased their work search behaviour. However, this population group generally has a prior work history and is highly work motivated when the right conditions are in place for them to return to work. These conditions are outlined in the section on employment outcomes, but the critical three conditions are childcare provision, labour market opportunity and financial incentives.

The Qualitative Outcomes Study raised a cautionary note regarding the types of work participants take on when they are feeling pressured to exit the benefit. There was some evidence to suggest that the work test encouraged certain individuals to accept positions that were not sustainable or would impact negatively on the well-being of the family, for example positions that reduced family income, did not provide accessible childcare or increased the numbers of unsupervised children at home.

5.1.5 Variation in job search activities according to age of youngest child and ethnicity

5.1.5.1 Variation in job search activities according to age of youngest child

Participants in the survey of those who left the benefit for employment, with younger children, tended to have used a smaller number of job search techniques than those with older, more independent children.

The survey of those who left the benefit for employment revealed that those with the youngest child aged 7 to 13 were more likely to have applied for an advertised position (50%) than those with the youngest child under six (43%). Respondents with the youngest child under six were less likely to have used, or found useful, a wide range of job search techniques. In particular, those with their youngest child under six years of age were significantly less likely to mention:

- "cold calling" (19%, compared with 28% of other respondents)
- talking to their Case Manager (3%, compared with 9% of those with a child 7 to 13 years, and 8% of those with the youngest child aged 14+ years)
- attending courses on finding employment (2%, compared with 6% of all other respondents).

5.1.5.2 Variation in job search activities according to ethnicity

While Other and Māori respondents found writing or "cold calling" a useful technique for finding work, Pacific Peoples tend not to have used this technique. If they did, they did not find it useful.

When looking for work, Māori respondents were significantly more likely to have asked family/friends (47%), than Pacific Peoples (39%) and Other respondents (38%). Māori respondents were also more likely to have talked to their Case Manager (9%, compared with 5% of Other respondents) when they were looking for work.

Pacific Peoples were significantly less likely to have found "cold calling" useful, being mentioned by 10% of this group, compared with 26% of Other, and 23% of Māori respondents (Table 20).

Table 20: Useful job search techniques (%) - (by ethnicity)

	Total Sample (n=1,016)	*Māori (n=267) A*	*Pacific Peoples (n=106) B*	*Other (n=643) C*
Active job search techniques				
Looked in the newspaper/applied for advertised position	47	45	45	47
Asked family/friends/word of mouth	41	47 ↑BC	39	38
Wrote or called particular businesses ("cold calling")	25	23	10 ↓AC	26
Looked on the Internet	6	4	5	7 ↑[69]A
Talked to WINZ/DWI Case Manager	6	9 ↑C	7	5
Talked to WINZ/DWI staff other than Case Manager	6	6	2	6
Looked at noticeboards/computers at WINZ/DWI office	6	7	6	5
Visited recruitment/temping agency	6	3 ↓BC	9	8
Courses on finding employment/preparing CV	5	6	3	4
Asked people in other organisations e.g. church	3	5	3	3
Voluntary work/work experience	3	3	3	2
Looked at noticeboards in supermarkets etc	2	2	3	2
Got job through training institution	3	3	8 ↑C	3
Started own business/self-employed	1	1	0	1
Contacted a previous employer	2	1	2	2
Passive job search techniques				
Was approached by employer	3	2	3	3
Casual/part-time work became full-time	2	1	2	2
Job was held by employer (didn't need to search)	2	2	6 ↑C	1
Nothing	3	1	2	3

Base: All respondents.
Note: Multiple responses to this question encouraged. Consequently the columns may total more than 100%.
Significant differences are reported at the 95% confidence interval.
Table lists those techniques mentioned by five or more respondents.
SOURCE: Survey of those who have left the benefit for employment, 2001

[69] Where a result is significantly higher for one group than another, this is indicated by an upward arrow (↑) beside the higher value, along with a letter indicating which column the result is significantly higher to.

5.2 *The availability of suitable work*

5.2.1 What is suitable employment for DPB and WB recipients?

The evaluations indicated that suitable work could be broadly defined as that which would provide hours that allowed participants to manage their family responsibilities, cover the additional costs associated with work and provide medium- to long-term certainty. The qualitative outcomes research noted that a key factor for finding work, which allowed sole parents to manage their family responsibilities, was work that fits within school hours. Case Managers also raised this issue along with poor pay rates (refer to section 04.3.2.4 The application of the part-time work test).

5.2.2 Key factors which, in the view of DPB and WB recipients, made work unsuitable

In the Qualitative Outcomes Study respondents saw the work available to them as having a number of often interacting characteristics which made it unattractive, risky and/or inaccessible. These characteristics included:

- high levels of casualisation
- temporary or uncertain tenure
- vulnerability to redundancy
- exploitation (e.g. no payment)
- discrimination on the basis of race, sole parent status or personal appearance and style.

The factors identified above all reduce the likelihood of a guaranteed stable income for sole parents. A guaranteed income is an important consideration for sole parents who are supporting children as well as themselves.

Casualisation was raised as a key issue for sole parents in the qualitative outcomes research because the lack of certainty around hours and tenure created difficulty for sole parents in planning and organising childcare.

The qualitative outcomes research found that, perhaps because of their extensive work histories prior to taking up the DPB and WB, many of the participants expressed considerable dissatisfaction about the nature of the paid work to which they felt they had access. Most felt that they were locked into the secondary labour market of casualised, low-paid and unskilled work offering poor conditions and few career opportunities. The work available was seen as often uncertain and vulnerable to redundancy. This was characteristic of participants in urban, rural and provincial situations.

The international literature also highlights factors affecting the suitability of work for sole parents. Oliker (1995) and Rein (1982) caution that for paid employment to be financially viable, parents are often forced to engage in longer hours and compete for available overtime in order to receive a wage capable of supporting the family. This is likely to have a greater effect on the family as supports become more strained, time management becomes more difficult and the parent generally more stressed and short of time to spend with the family.

It appears that the failure of low-paid work to support a family is not a phenomenon that is immediately obvious, as parents initially manage to maintain their employment status. This is due to the invisible nature of many family resources (e.g. access to people to child-mind on short notice, tidy work clothes, reliable transportation). These resources are depleted over time, with work increasing the rate of resource usage, which in turn becomes an increasing barrier to sustained work efforts (Harris, 1996; Oliver, et al, 2000).

McLaughlin et al (1989), report that the work often available to sole parents is of a flexible and insecure nature, which stretches sole parents' limited resources and impacts on family routines.

According to Colin (1991), the types of jobs that New Zealand beneficiaries are typically qualified for are very low paid, yet such positions are often seen as meeting the requirements of welfare regulations, increasing hardship for desperate parents struggling to make ends meet on an already tight budget.

Leaving welfare to take up low-paid employment is a common international phenomenon, (Harris, 1993; Harris, 1996; Mink, 1998; Oliker, 1995; Trutko, Nightingale and Barnow, 1999).

Refer to section 5.4.2 Factors that limit entry to employment..

5.2.3 Differences in availability of suitable employment according to ethnicity, age of youngest child, or geographical location

It is very difficult to accurately measure the availability of suitable employment for sole parents by age of youngest child and ethnicity. However, some information is obtainable on the availability of employment generally by region.

5.2.3.1 Differences in availability of suitable employment according to geographical location

It was very difficult to accurately measure the availability of employment for sole parents by age of youngest child. However, some information was available on the availability of employment generally by region and ethnicity.

One measure of availability is the employment intentions of firms. Over the period of the evaluation (1998 to 2001), firms' employment intentions varied across the regions. However, according to the National Bank business outlook survey, all regions show positive employment intentions in the June 2001 quarter, which means that more firms are looking to increase employment than decrease employment over the next year. With regard to employment intentions, the regions at June 2001 can be categorised as follows:

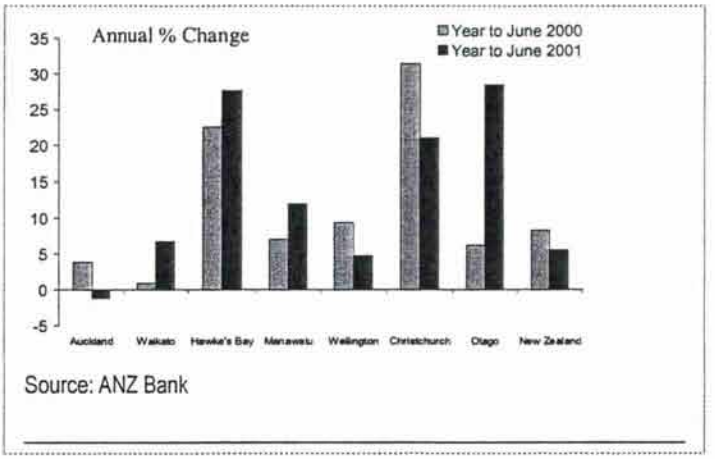
- high-performing regions: Southland, Nelson-Marlborough, Otago, Bay of Plenty
- medium-performing regions: Manawatu-Wanganui, Canterbury, Northland, Taranaki, Auckland
- low-performing regions: Hawke's Bay, Waikato, Wellington.

These trends give an indication of the availability of jobs in each region over the next year. However, this data is quite volatile, and may not result in actual employment growth if the right potential employees are not found (for example, if skill shortages are present). Moreover, these intentions will have changed to be less positive following the events of 11 September 2001 in the United States.

Another measure of job availability is the number of job vacancies printed in newspapers. The ANZ Job Ads series[70] measures the number of job advertisements in seven newspapers around the country. Job ads increased significantly over the period of the evaluation, rising strongly in 1999, remaining fairly steady in 2000, and increasing solidly in the first half of 2001. ANZ job ad growth varied across the regions (see Figure 3), with the strongest growth coming from Hawke's Bay, Otago and Christchurch, and low growth occurring in Auckland and Waikato. Some caution is required in interpreting this data, as high levels of job ads may reflect high levels of skill shortages (when vacancies may need to be advertised multiple times), especially for the more rural regions (for example, Hawke's Bay, Otago)

[70] The ANZ Bank runs this series.

Figure 3: ANZ job ads by region



5.2.3.2 Differences in availability of suitable employment according to ethnicity

Some Māori respondents in the Qualitative Outcomes Study indicated that suitable employment was not available where they lived. As Table 7 earlier indicated, 62% of Māori DPB recipients live in Northland, Auckland South, Waikato, the Bay of Plenty and the East Coast. These areas were characterised by above-average unemployment rates, with Northland, Bay of Plenty and Gisborne/Hawke's Bay regions currently having the highest unemployment rates of the 12 main regions. Northland, Bay of Plenty, and Gisborne/Hawke's Bay also have the highest rates of jobless[71] people in the country. Household Labour Force Statistics (HLFS) data suggests that, compared to other regions, in these regions more jobs were available in industries which have traditionally tended to employ men. These five regions were heavily reliant on agriculture, forestry, horticulture, primary processing and forestry.[72] These industries have a higher concentration of men than women:

- 66% of those employed in agriculture, forestry and fishing and 70% of those employed in manufacturing were men[73]
- men were more likely to work in these sectors – 10% of men work in agriculture, forestry and fishing, compared to 7% of women, and 20% of men work in manufacturing, compared to 11% of women.

The opposite was the case for regions with employment patterns based more on services (for example, Auckland Central, Wellington) – 82% of people employed in health and community services were female, 73% employed in education were female, and 63% employed in accommodation, cafes and restaurants were female. The other main sectors for women in terms of employment were wholesale and retail trade, and manufacturing. Refer also to section 6.1.3.3 Variation in type of employment by geographic location.

5.2.3.3 Differences in availability of suitable employment according to age of youngest child

As mentioned earlier, there has been a growth in part-time and full-time employment **(refer to section 6.1.1 Participation in full-time and part-time employment).** This does not mean that all such work available is suitable for sole parents as a group, as they have differing childcare needs depending on the age of their youngest child.

Interviews with Case Managers revealed some evidence to suggest that the availability of suitable employment was constrained for those with a youngest child aged between 7 and 13 years because they required work between the hours of 9.00am and 3.00pm, preferably with school holidays off. Case Managers were of the view that such jobs were not readily available.

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[71] The jobless refers to those out of work, and *either* actively seeking *or* available for work.

[72] Auckland South is not very reliant on agriculture, horticulture and forestry, but is the most reliant on manufacturing of any main region.

[73] The data in this paragraph refers to the two years to June 2001.

Interviews with Case Managers also revealed that sole parents with youngest children aged 14+ years also found there was a lack of suitable full-time work available. For this group the work was often unsuitable because of low hourly rates of pay, and the "mismatch" between the positions available and the skills and qualifications of DPB and WB recipients. For example, in some rural communities, the jobs that did exist were temporary or seasonal. In addition, affordability and access to childcare were also issues of concern for this group.

5.3 Education and training

Participation in education and training has been included as a key focal point within this evaluation. While the DPB and WB reforms did not explicitly state that increased training and education was a desired outcome within the high level objectives of the reforms, it was included as criteria for meeting the work test. Implicitly, therefore, education and training are considered outputs in terms of assisting people into employment and extending employment opportunities.

Within this section of the report we present general demographic information on training and education participation in New Zealand; the levels of training and education participation by sole parents in the present evaluation strategy; the types of training and education participated in; and the perceived benefits of training and education.

5.3.1 Education and training participation by sole parents

A large number of respondents in all of the studies within this evaluation strategy reported that they had participated in training and education either prior to, or after leaving, the DPB or WB.

5.3.1.1 Prior training and education participation

The qualitative outcome study, the evaluation of PPS and the survey of sole parents who left the benefit for employment all indicated that it was common for sole parents to use their time on the benefit to gain further qualifications.

In the survey of sole parents who had left the benefit for work, just over half (55%) had undertaken some form of education or training before coming off the DPB.[74]

Refer to section 5.3.7 for information on differences in education and training by age of youngest child and ethnicity.

Within the Qualitative Outcomes Study, there had been an increase in uptake of training and education throughout the year of the study. At the Phase 1 interview, 13 of the participants were in some form of education or training. Three of that set of participants reported that they were actively seeking further training or education. At the Phase 2 interviews, 22 participants were in education or training. Most of the participants in this study who were participating in education and training were not in paid work.

In the Qualitative Outcomes Study, those who were not in employment were more likely to be undertaking education and training. Understandably, therefore, there were more people in training and education in the Qualitative Outcomes Study with a youngest child under age six than in any of the other work test groups, as this was the group least likely to be participating in paid employment. Refer to section 5.3.7 for further information on differences in education and training by age of youngest child.

Within the Qualitative Outcomes Study it was also found that those who had accessed work prior to the DPB and WB reforms, or very quickly thereafter, had undertaken a considerable amount of training over the period of their DPB and WB receipt (Table 21).

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[74] In interpreting these results, it is important to note that no reference period was given to respondents within which they had to have completed their training prior to coming off the DPB. For example, a respondent who had been on the DPB for 15 years could have completed their training and education 14 years prior to moving into work.

Table 21: Paid work status over phase 1 and phase 2 Qualitative Outcomes Study by highest qualification since school leaving at phase 1

Paid Work Status Phase 1 – Phase 2	*None*	*Trade*	*Diploma*	*Degree*	*Other*	*Total*
Not employed – Not employed	9	1	2	0	5	17
Part-time – Not employed	1	0	2	0	2	5
Not employed – Part-time	1	2	1	0	1	5
Not employed – Full-time	1	0	1	1	1	4
Part-time – Part-time	1	0	6	0	2	9
Part-time – Full-time	2	0	0	0	0	2
Full-time – Full-time	1	2	5	3	7	18
Total	16	5	17	4	18	60

SOURCE: *Qualitative Outcomes Study*, 2001

The OSCAR parent survey found that 40% of beneficiaries in receipt of the OSCAR subsidy were involved in education and training.

Levine et al (1993), in an interview study with 95 New Zealand sole parents, found that those who went off the benefit into paid employment were more likely than the current beneficiaries in the study to have post-high school qualifications. New Zealand census data supports the role of education in predicting employability, with sole mothers with tertiary qualifications being three times more likely to be employed full-time than sole mothers without the same level of schooling (Wylie, 1980).

5.3.1.2 Participation in training and education after entering employment

The survey of sole parents who left the benefit for employment found that 22% were currently involved in training or education. Survey respondents with tertiary qualifications, and those currently working in skilled or semi-skilled occupations, were most likely to be undertaking training at the present time. Re-skilling and up-skilling was also evident, with survey respondents who had been in the workforce for 15 to 24 years being more likely to be undertaking training than those with less time in the workforce.

Refer to section 5.3.7 for information on differences in education and training by age of youngest child and ethnicity.

5.3.2 Types of training and education currently undertaken and time commitment

5.3.2.1 Types of training

Sole parents were involved in a wide variety of further education and training. Refer to Table 22 for examples of the range of courses undertaken by those involved in the Qualitative Outcomes Study.

Table 22: Types of courses undertaken by respondents in the Qualitative Outcomes Study

	Type of Course
Phase 1 (13 participants)*	caregivers course, diploma of business studies, sales and retail training, teaching, social services, BA nursing, Te Reo Māori, sign language, computer skills, accounting, massage therapy, B Social Work, Horse dressage, Psycho-therapy diploma, Civil defence training, Hospitality industry, office administration, BA
Phase 2 (22 participants)	retail and hospitality – 2 participants, travel consultant – 2 participants, computing – 2 participants, business administration, certificate office administration – 2 participants, civil defence training, sales and retail training, training in art teaching, teaching social services – 2 participants, B Health Science – 2 participants, Te Reo Māori, certificate in rehabilitation studies, reflexology, B Social Work – 2 participants

* Some participants undertook more than one course.
SOURCE: Qualitative Outcomes Study, 2001

In the survey of sole parents who left the benefit for employment, 55% had undertaken education and training prior to leaving the benefit.[75] Courses provided through technical institutes and polytechnics were most popular (52%), followed by university-based courses (18%) (Table 23).

Table 23: Types of training and education undertaken prior to coming off the DPB (%)

	Total Sample (n=559)	*Māori (n=170) A*	*Pacific Peoples (n=47) B*	*Other (n=342) C*
Courses through technical institutes/polytechnics	52	52	54	53
University courses/papers/degree	18	18	23	18
Community education/evening classes	7	7	3	8
WINZ/DWI-provided courses	7	7	6	7
TOPs training	6	8	11	5
Teachers College	5	4	8	5
On-the-job training and work experience	5	8 ↑C	3	4
Correspondence School	5	3	2	6
Private computer training	3	2	1	4
Māori training institutions	2	4	0	2
Returned to school	1	1	0	2

Base: All respondents having undertaken training or education before coming off the DPB.
Note: Multiple responses to this question were encouraged. Consequently, the columns may total more than 100%.
Table lists those types of training mentioned by five or more respondents.
SOURCE: Survey of sole parents who left the benefit for employment, 2001

Among those currently undertaking education and training, the greatest number were participating in on-the-job training (41%), while over a third (38%) were taking part in courses provided through technical institutes/polytechnics/private training institutions. Just under one in five (19%) were involved in university courses (Table 24). These results are consistent with the results in the Qualitative Outcomes Study.

[75] In interpreting these results, it is important to note that no reference period was given to respondents within which they had to have completed their training prior to coming off the DPB. For example, a respondent who had been on the DPB for 15 years could have completed their training and education 14 years prior to moving into work.

Table 24: Types of training and education currently undertaken (%)

	Total Sample (n=236)
On-the-job training and work experience	41
Courses through technical institutes/polytechnics	38
University courses/papers/degree	19
Correspondence School	3
Community education/evening classes	3
Teachers College	3
Māori training institutions	2
Returned to school	1
Private computer training	1

Base: All respondents currently undertaking training or education.
Note: Multiple responses to this question were encouraged. Consequently, the columns may total more than 100%.

Table lists those types of training mentioned by five or more respondents.
SOURCE: Survey of sole parents who left the benefit for employment, 2001

Refer to section 5.3.7 for information on differences in education and training by age of youngest child and ethnicity.

5.3.2.2 Participation in DWI employment programmes

Sole parent beneficiaries also undertake DWI employment programmes as a means of improving their skills and education. Table 25 shows the number of people (per 1,000) in receipt of the DPB who have participated in a DWI employment programme. There has been a clear increase in participation post-February 1999, however it is important to note that the participation numbers increased from a very small base figure.

Table 25: Participation in employment programmes

DWI Employment Programmes	Rate per 1,000 DPB Recipients	
	Jan 1998 - Jan 1999	Feb 1999 - Apr 2001
Into work support	0.19	3.11
Information services	0.17	1.65
Job search	0.15	3.12
Skills training	4.18	9.62
Work conference	0.82	1.69
Work experience	3.29	8.16
Paid employment	1.62	6.56
Total programme	10.23	30.8

SOURCE: DWI administrative data, 2001

5.3.3 Length of current training and education course

Just over one in five respondents currently undertaking work-related education/training (21%) stated that the training would last for a term (12 weeks) or less. Almost three in five respondents currently undertaking education/training (57%) stated that their course ran for 12 months or more (Table 26).

Table 26: Length of current training and education course

	Total Sample (n=236)
Less than 2 weeks	15
2 weeks but less than 4 weeks	2
4 weeks but less than 6 weeks	0
6 weeks, but less than 8 weeks	2
8 weeks but less than 12 weeks/a term	2
12 weeks, but less than 6 months	5
6 months, but less than 12 months	9
12 months or more	57
Unsure	8

Base: All respondents currently undertaking training or education.
Significant differences are reported at the 95% confidence interval.
Sample sizes for those with the youngest child aged less than six years, or 14 years and over are small - consequently, results for these groups should be considered indicative only.
SOURCE: Survey of sole parents who left the benefit for employment, 2001

5.3.4 Time spent in training and education

In the survey of those who left the benefit for employment, the greatest proportion of respondents currently undertaking training and education (39%) had a study time commitment of five hours or less each week. Ten percent spent 20 hours or more each week on education/training. Excluding those who stated that the amount of training varied, or they were unsure, the median amount of training per week was between 5 and 10 hours.

For those currently involved in education and training:

- on-the-job training and work experience constituted a median time commitment of less than five hours a week
- by comparison, courses provided through technical institutes and universities required a median commitment of between 5 and 10 hours a week (Table 27).

Table 27: Median training and education commitment (per week) by course type

Training Type	*Sample Size*	*Median Hours Per Week*
On-the-job training and work experience	94	Less than 5 hours
Courses through technical institutes/polytechnics	88	5 to 9.59 hours
University courses/papers/degree	44	5 to 9.59 hours

Base: All respondents currently undertaking training or education.
Table only includes training and education undertaken by 10 respondents or more.
SOURCE: Survey of sole parents who left the benefit for employment, 2001

All three of the most popular forms of current training had a median course length of 12 months or more (Table 28).

Table 28: Median length of training and education commitment by course type

Training Type	*Sample Size*	*Median Length of Course*
On-the-job training and work experience	94	12 months or more
Courses through technical institutes/polytechnics	88	12 months or more
University courses/papers/degree	44	12 months or more

Base: All respondents currently undertaking training or education.
Table only includes training and education undertaken by 10 respondents or more.
SOURCE: Survey of sole parents who left the benefit for employment, 2001

5.3.5 Factors that assist and factors that act as barriers to uptake of education and training

The primary factors that assisted sole parent beneficiaries to take up education and training included:

- accessible and affordable childcare
- access to the Training Incentive Allowance or to a student loan.

While student loans are likely to have made the difference between sole parents being able to afford training and education, many participants in the Qualitative Outcomes Study were fearful of taking on student loans. These issues are outlined in the barriers to training and education section below.

The barriers to uptake of education and training were often similar to those for uptake of employment. The primary barriers to undertaking training and education identified in the Qualitative Outcomes Study include:

- costs of training and incurring debt
- childcare
- access to educational institutions
- lack of confidence.

5.3.5.1 Costs of participating in education and training

Costs of undertaking education or training were the most commonly identified barrier. Identified costs included travel, fees, books and materials, and childcare. There was wide variation in both education/training costs, and the level of financial assistance received. Other costs included childcare and travel: *"I took a university course but ill-health meant it had to be abandoned. I took grief counselling courses but they were self-paid and therefore not supported by DWI. I'm unlikely to continue. It's too expensive for fees and books. It would cost me $8,000 to finish a degree in psychology. My Case Manager says it is useless because a degree won't guarantee work."* (Other WB 7-13 yrs, Qualitative Outcomes Study, 2001)

"Want to carry on for courses. Costs are the main barrier. I don't find WINZ supportive even though my last training got me good work. I can't keep borrowing to cover costs except by increasing my mortgage and the courses I want are out of [the provincial area] so I will have accommodation and travel costs." (Other DPB 0-5 yrs, Qualitative Outcomes Study, 2001)

An indication of expenses incurred in education and training ranged from under $300 for one course to around $6,000 per year for full-time study in one case.

Many of the participants in the Qualitative Outcomes Study commented on their fear of taking on student loans. The prospect of immediately drawing upon their material resources with little short-term compensation in the form of increased income proved daunting for many. There was also the risk that immediate expenditure would not be compensated in the medium to long term. Older participants were particularly anxious about education-related debt because of what they saw as their more limited time to pay a loan off and then save for retirement.

5.3.5.2 Childcare and participating in education and training

Childcare requirements also posed a barrier to some participating in education and training. Participants in the Qualitative Outcomes Study reported a range of difficulties with childcare and supervision that arose with undertaking education or training. Those difficulties included:

- fitting study and course attendance in with children's school hours
- availability of suitable and affordable childcare
- loss of time with children due to study requirements.

Access to educational institutions could be difficult for participants. Only a few participants were not able to identify any access difficulties. The access problems identified included:

- distance from educational institutions
- lack of transport
- lack of access to accredited providers and to courses that attracted funding assistance.

A number of participants with youngest children over the age of 14 believed that they were ineligible for assistance with education/training because they were expected to be available for full-time paid work.

Lack of confidence was also a barrier, particularly among older women (irrespective of ethnic affiliation) who had been out of the labour force for a long time. For some Pacific women, their lack of facility with English reduced their confidence to take on training. For Māori, poor experiences at school meant they lacked confidence in their ability to achieve in a training environment.

Edin and Lein (1997) note that while parents viewed education as the best way of increasing their wage earning capacity it was often unrealistic to combine full-time work and child rearing with education. In this instance welfare was an important support for parents to take time out from employment to up-skill. Training whilst on the benefit was a route off the benefit for just over half of the self-supporting ex-beneficiaries in Levine et al's (1993) study.

Choat (1998) similarly cautions that while education is linked with better job prospects and increasing the likelihood of leaving welfare, full-time, or even part-time education is also subject to many of the

limitations and costs that restrict sole parents' access to employment (e.g. childcare, transportation, difficulties finding care for sick or disabled children). Choat (1998) goes on to say that while students may have access to subsidies and supports to cover the costs of education, these may not necessarily cover the additional costs incurred by sole parents: *"I should have taken the opportunity to train a while ago. When you're on the DPB it can be a good opportunity but all the forms and rigmarole made it disheartening. It seemed hardly worthwhile."* (Other DPB 7-13 yrs, Qualitative Outcomes Study, 2001)

"I'm not interested in further training because I'm not allowed to take or choose the training provider. You have to go to those allocated by WINZ and they do not do good quality." (Māori DPB 0-5 yrs, Qualitative Outcomes Study, 2001)

5.3.6 Benefits of taking up education and training

Amongst participants in both the survey and in the Qualitative Outcomes Study there was general agreement that education/training did:

- contribute to individuals' finding work (72% survey participants)
- provided some individuals with more employment choice.

For some participants in the Qualitative Outcomes Study the motivation to take up training was specifically related to getting into a particular type of work. It was the work that determined the training and those participants sought trade or professional training as a pathway to the primary labour market. For others in this study, especially those within employment, training was a way to improve their promotion prospects or to allow them to access a more secure and/or more highly paid position elsewhere.

Additionally, some participants hoped that their involvement in education and training would have positive spin-offs in encouraging their children to do well at school and gain qualifications.

In the Post-Placement Support pilot many sole parents had used their time in receipt of the DPB as an opportunity to re-train for new occupations. These people had invariably completed their courses and made gains in both skills and confidence. For people who previously had no tertiary qualifications, completing a course of study or training was a major factor in their confidence that they were employable and work ready.

The survey of those who left the benefit for employment found participants generally considered that training undertaken prior to moving into work was useful in helping them to get a job, or a better job than they would otherwise have had. In particular, the training was useful with respect to increasing the respondents' knowledge and skills, providing qualifications that can be added to a CV and increasing confidence (Table 29).

Respondents in the survey of those who left the benefit considered certain types of training more useful than other types. Teachers College training, university courses and TOPS training were considered most useful in these respects (Table 30). Results collated by the type of training undertaken show that Teachers College training was considered useful by the greatest share of respondents, with 92% of those undertaking this form of training prior to moving off the DPB commenting that this training helped them to get a job, or to get a better job than they otherwise would have. Seventy-nine percent stated that they found university courses useful, while 77% of TOPs training participants found this useful in helping obtain work. Of the courses considered, Correspondence School courses are least likely to be considered useful (50%) (Table 30). It is important to note that the sample sizes for some courses are small. In some cases, these results should be considered indicative only.

Table 29: Reasons given for usefulness of training and education undertaken prior to coming off the DPB (%)

	Total Sample (n=405)
Increased knowledge/skills	78
Qualifications for CV	41
Increased confidence	39
Improve position at work/help get a promotion	25
Get a new or better job	22
Greater understanding of job/industry	3
More options/greater choice of jobs available	1

Base: All respondents having undertaken training or education before coming off the DPB, and found this training and education useful. The table lists those reasons mentioned by five or more respondents.
SOURCE: Survey of sole parents who left the benefit for employment, 2001

Table 30: Perceived usefulness of training and education undertaken prior to coming off the DPB by type of training undertaken (%)

	Sample Size	*Share Stating Training Useful*
Teachers College	28	92
University courses/papers/degree	98	79
TOPs training	34	77
WINZ/DWI-provided courses	42	75
On-the-job training and work experience	29	72
Courses through technical institutes/polytechnics	286	71
Māori training institutions	12	65
Community education/evening classes	37	62
Returned to school	8	53
Private computer training	18	51
Correspondence School	27	50

Base: All respondents having undertaken training or education before coming off the DPB.
SOURCE: Survey of sole parents who left the benefit for employment, 2001

A number of participants in the Qualitative Outcomes Study reported acquiring a miscellaneous set of qualifications, most of which came from short courses (less than six months in duration).

There is some debate in the literature about the value of short-term work-training programmes in contrast to tertiary education courses for improving employment opportunities and income. Harris (1993) found that higher level training had more enduring outcomes than short-term training programmes. According to Strawn (1998), the occasional successes reported by short-term training programmes appear to be more a result of participants working more hours than their entering higher waged employment. Grubb (1995) presents several key characteristics of work training programmes that he believes make them unsuitable as an effective long-term intervention for reducing welfare dependency and poverty. The first is the low contact hours in comparison with the most basic tertiary education, secondly, the lack of real education component and thirdly, a lack of consideration of the broader social issues often imparted in tertiary

education (Grubb, 1995; Mink, 1998). Choat (1998) notes that short, work-related courses have lower benefits in terms of economic independence when compared to tertiary or higher education, no improvements in self-efficacy or well-being, nor do they appear to reduce the likelihood of future poverty.

5.3.7 Differences in education and training according to age of youngest child, ethnicity, or geographical location

5.3.7.1 Differences in education and training according to age of youngest child

Some differences in education and training according to age of youngest child were found in terms of the:

- number undertaking education and training prior to coming off the DPB
- number currently undertaking education and training
- types of courses undertaken
- length of time spent in education and training.

Education and training prior to coming off the DPB by age of youngest child

The survey of sole parents who left the benefit for employment found that:

- those with a youngest child aged between 6 and 13 years were significantly more likely to have undertaken training prior to exiting the DPB than sole parents with a youngest child of 0 to 5 years (Table 31)
- those with a youngest child aged under six years were significantly more likely to state that education and training was useful in providing a qualification for their CV (52%) than those with a youngest child aged between 6 and 13 years (Table 32).

There are no significant differences by the age of the youngest child in the types of courses undertaken by sole parents prior to coming off the DPB, or the perceived usefulness of training and education undertaken prior to coming off the DPB.

Table 31: Share of respondents undertaking training and education prior to coming off the DPB (%) - (by age of youngest child)

	Total Sample (n=1,016)	*Child < 6 Years (n=342) A*	*Child 7-13 Years (n=471) B*	*Child 14 + Years (n=203) C*
Training undertaken prior to coming off DPB	55	46	62 ↑A	55
No training undertaken prior to coming off DPB	45	54 ↑B	38	45

Base: All respondents. Significant differences are reported at the 95% confidence interval.
SOURCE: Survey of sole parents who left the benefit for employment, 2001

Table 32: Reasons given for usefulness of training and education undertaken prior to coming off the DPB (%) – (by age of youngest child)

	Total Sample (n=405)	Child < 6 Years (n=109) A	Child 7-13 Years (n=215) B	Child 14 Years + (n=81) C
Increased knowledge/skills	78	79	78	74
Qualifications for CV	41	52 ↑B	36	37
Increased confidence	39	39	41	34
Improve position at work/help get a promotion	25	25	28	16
Get a new or better job	22	21	23	19
Greater understanding of job/industry	3	1	4	1
More options/greater choice of jobs available	1	2	1	21

Base: All respondents having undertaken training or education before coming off the DPB, and found this training and education useful.

Note: Multiple responses to this question encouraged. Consequently the columns may total more than 100%. Significant differences are reported at the 95% confidence interval. Table lists those reasons mentioned by five or more respondents.

SOURCE: Survey of sole parents who left the benefit for employment, 2001

Current education and training by age of youngest child

The survey of sole parents who left the benefit for employment found that:

- respondents with the youngest child aged between 6 and 13 years of age were more likely to be currently undertaking some form of training (28%) than those with the youngest child under six years of age (20%) and over 14 years of age (18%) (Table 33)
- respondents with the youngest child aged between 6 and 13 years of age currently involved in education and training were more likely to be taking part in training or education provided by a technical institute (47%) than those with their youngest child aged under 6 years (28%) (Table 34)
- those with the youngest child under six years of age were more likely to be undertaking training lasting 12 months or more (68%) than those with their youngest child aged between 6 and 13 (54%) (Table 35)
- there were no significant differences in the amount of training per week by age of the respondents' youngest child. The median amount of training per week for those with the youngest child under six years of age and over 14 years of age was five hours a week or less, while for those with their youngest child 6 to 13 years of age, the median amount of training is between 5 and 10 hours a week
- Undertaking training as part of job requirements or to retain a job was also more frequently mentioned among those with a youngest child aged between 6 and 13 years of age (21%) than those with a youngest child under 6 years of age (3%) (Table 36).

Table 33: Share of respondents currently undertaking training and education (%) - (by age of youngest child)

	Total Sample (n=1,016)	*Child < 6 Years (n=342) A*	*Child 7-13 Years (n=471) B*	*Child 14 + Years (n=203) C*
Currently undertaking training	23	20	28 ↑AC	18
Not currently undertaking training	77	80 ↑B	72	82 ↑B
Unsure	0	0	0	0

Base: All respondents.

Significant differences are reported at the 95% confidence interval.

SOURCE: Survey of sole parents who left the benefit for employment, 2001

Table 34: Types of training and education currently undertaken (%) - (by age of youngest child)

	Total Sample (n=236)	*Child < 6 Years (n=70) A*	*Child 7-13 Years (n=130) B*	*Child 14 Years + (n=36) C*
On-the-job training and work experience	41	37	40	57
Courses through technical institutes/polytechnics	38	28	47 ↑A	20
University courses/papers/degree	19	25	15	18
Correspondence School	3	5	2	0
Community education/evening classes	3	5	1	3
Teachers College	3	2	5	0
Māori training institutions	2	4	2	0
Returned to school	1	2	1	3
Private computer training	1	2	1	2

Base: All respondents currently undertaking training or education.
Note: Multiple responses to this question encouraged. Consequently the columns may total more than 100%. Significant differences are reported at the 95% confidence interval. Sample sizes for those with the youngest child aged less than six years, or 14 years and over are small - consequently, results for these groups should be considered indicative only. Table lists those types of training mentioned by five or more respondents.
SOURCE: Survey of sole parents who left the benefit for employment, 2001

Table 35: Length of current training and education course (by age of youngest child)

	Total Sample (n=236)	*Child < 6 Years (n=70) A*	*Child 7-13 Years (n=130) B*	*Child 14+ Years (n=36) C*
Less than 2 weeks	15	9	18	15
2 weeks but less than 4 weeks	2	1	2	0
4 weeks but less than 6 weeks	0	0	0	0
6 weeks, but less than 8 weeks	2	1	2	3
8 weeks but less than 12 weeks/a term	2	5	1	2
12 weeks, but less than 6 months	5	2	5	13
6 months, but less than 12 months	9	10	8	16
12 months or more	57	68 ↑B	54	43
Unsure	8	4	10	8

Base: All respondents currently undertaking training or education.
Significant differences are reported at the 95% confidence interval. Sample sizes for those with the youngest child aged less than six years, or 14 years and over are small - consequently, results for these groups should be considered indicative only.
SOURCE: Survey of sole parents who left the benefit for employment, 2001

Table 36: Reasons for undertaking current training and education (%) – (by age of youngest child)

	Total Sample (n=236)	*Child < 6 Years (n=70) A*	*Child 7-13 Years (n=130) B*	*Child 14 + Years (n=36) C*
Increased knowledge/skills	78	77	78	82
Improve position at work/help get promotion/pay increase	37	31	36	55
Qualifications for CV	29	33	26	33
Increased confidence/self-esteem	22	26	22	15
To help get a better job	19	23	18	13
To help get a new job	15	18	12	16
To keep job/part of job requirements	14	3	21 ↑A	3
To get pay increase	11	17	9	3

Base: All respondents currently undertaking training or education.
Note: Multiple responses to this question encouraged. Consequently the columns may total more than 100%.
Significant differences are reported at the 95% confidence interval.
Sample sizes for those with the youngest child aged less than six years, or 14 years and over are small - consequently, results for these groups should be considered indicative only.
Table lists those reasons mentioned by five or more respondents.
SOURCE: Survey of sole parents who left the benefit for employment, 2001

5.3.7.2 Differences in education and training according to ethnicity

Some differences in education and training according to ethnicity were found in terms of the:

- number of participants undertaking education and training prior to coming off the DPB
- number of participants currently undertaking education and training
- types of courses undertaken
- length of time spent in education and training.

Education and training prior to coming off the DPB, by ethnicity

The survey of sole parents who left the benefit for employment found that:

- Māori were significantly more likely to have undertaken some form of prior training (64%) than Pacific respondents (39%) and other ethnicities (53%) (Table 37)
- Māori respondents were more likely to take part in on-the-job training and work experience (8%) than Other respondents (4%) prior to coming off the DPB (Table 38).

Table 37: Share of respondents undertaking training and education prior to coming off DPB (%) - (by ethnicity)

	Total Sample (n=1016)	*Māori (n=267) A*	*Pacific Peoples (n=106) B*	*Other (n=643) C*
Training undertaken prior to coming off DPB	55	64 ↑BC	39	53 ↑C
No training undertaken prior to coming off DPB	45	36	61 ↑AC	47 ↑A

Base: All respondents.
Significant differences are reported at the 95% confidence interval.
SOURCE: Survey of sole parents who left the benefit for employment, 2001

Table 38: Types of training and education undertaken prior to coming off DPB (%)

	Total Sample (n=559)	*Māori (n=170) A*	*Pacific Peoples (n=47) B*	*Other (n=342) C*
Courses through technical institutes/polytechnics	52	52	54	53
University courses/papers/degree	18	18	23	18
Community education/evening classes	7	7	3	8
WINZ/DWI-provided courses	7	7	6	7
TOPs training	6	8	11	5
Teachers College	5	4	8	5
On-the-job training and work experience	5	8 ↑C	3	4
Correspondence School	5	3	2	6
Private computer training	3	2	1	4
Māori training institutions	2	4	0	2
Returned to school	1	1	0	2

Base: All respondents currently undertaking training or education.
Note: Multiple responses to this question encouraged. Consequently the columns may total more than 100%.
Significant differences are reported at the 95% confidence interval.
Sample sizes for Pacific Peoples are small - consequently, results for this group should be considered indicative only.
Table lists those types of training mentioned by five or more respondents.
SOURCE: Survey of sole parents who left the benefit for employment, 2001

The survey of sole parents who left the benefit for employment found there were no significant differences in the:

- perceived usefulness of the training and education undertaken prior to coming off the DPB
- reasons given for the usefulness of training and education undertaken prior to coming off the DPB.

Current participation in education and training by ethnicity

The survey of sole parents who left the benefit for employment found that just under a quarter of participants were currently undertaking training. This proportion was significantly higher among Māori (30%) than Other respondents (21%) (Table 39). In the Qualitative Outcomes Study, Pacific participants as well as Māori participants were slightly more likely than other ethnicities to be currently in education or training.

Table 39: Share of respondents currently undertaking training and education (%) - (by ethnicity)

	Total Sample (n=1,016)	*Māori (n=267) A*	*Pacific Peoples (n=106) B*	*Other (n=643) C*
Currently undertaking training	23	30 ↑C	20	21
Not currently undertaking training	77	70	79	79 ↑A
Unsure	0	0	1	0

Base: All respondents.
Significant differences are reported at the 95% confidence interval.
SOURCE: Survey of sole parents who left the benefit for employment, 2001

Te Puni Kōkiri has documented that Māori are well represented on many employment and training programmes such as the Training Opportunities Programme (TOPs), with participation in job assistance

and confidence-building courses being similarly high (Fletcher, 1999; Te Puni Kōkiri, 2000). Fletcher (1999) comments that programmes that provide a focus on the strengths and supports integral to Māori whānau and tikanga seemed more likely to lift Māori from their current levels of poverty and benefit usage than general programmes which failed to consider cultural strengths and diversity.

The survey of sole parents who left the benefit for employment also found that:

- Māori were more likely to be taking part in courses provided through technical institutes (55%) than Other respondents (28%), and were also more likely to be taking part in courses provided through Māori training institutes (7%, compared with 0% Other respondents). By contrast, Other respondents were more likely to be taking part in training provided through a Teachers College (7%) than Māori respondents (0%) were(Table 40)
- Other respondents were more likely to spend five hours or less per week on training (43%) than Māori respondents (28%) are (Table 41). As a corollary of this, Māori respondents were more likely to state that they spent between five and ten hours a week on training (37%) than Other respondents (18%). The median amount of training per week for Māori and Pacific Peoples was between five and ten hours, while the median for Other respondents was five hours or less
- Māori were more likely to be undertaking short-term education or training (22% stating that their training would run for less than two weeks) than Other respondents (10% stating that their training ran for less than two weeks) (Table 42)
- there were few significant differences in results by ethnicity (perhaps as a result of relatively small sample sizes). However, Māori respondents were more likely to mention doing the training to keep their job or that the training was part of the requirements of their current job (25%) than Other respondents (5%) (Table 43).

Table 40: Types of training and education currently undertaken (%) - (by ethnicity)

	Total Sample (n=236)	*Māori (n=74) A*	*Pacific Peoples (n=22) B*	*Other (n=140) C*
On-the-job training and work experience	41	32	52	45
Courses through technical institutes/ polytechnics	38	55 ↑C	28	28
University courses/papers/degree	19	23	9	18
Correspondence School	3	3	3	2
Community education/evening classes	3	2	0	3
Teachers College	3	0	0	6 ↑A
Māori training institutions	2	7 ↑C	0	0
Returned to school	1	1	0	2
Private computer training	1	0	0	2

Base: All respondents currently undertaking training or education.
Note: Multiple responses to this question encouraged. Consequently the columns may total more than 100%.
Significant differences are reported at the 95% confidence interval.
Sample sizes for Pacific Peoples are small - consequently, results for this group should be considered indicative only.
Table lists those types of training mentioned by five or more respondents.
SOURCE: Survey of sole parents who left the benefit for employment, 2001

Table 41: Current training and education commitment (per week) (%) – (by ethnicity)

	Total Sample (n=236)	*Māori (n=74) A*	*Pacific Peoples (n=22) B*	*Other (n=140) C*
Five hours or less	39	28	45	43 ↑A
5-9.59 hours	22	37 ↑C	25	18
10-14.59 hours	9	5	12	10
15-19.59 hours	3	6	0	2
20-24.59 hours	3	5	7	1
25-29.59 hours	1	2	8	0
30 hours or more	6	5	0	7
Varies too much to say	15	9	3	17
Don't know	2	3	0	2

Base: All respondents currently undertaking training or education.
Significant differences are reported at the 95% confidence interval.
Sample size for Pacific Peoples is small - consequently, results for this group should be considered indicative only.
SOURCE: Survey of sole parents who left the benefit for employment, 2001

Table 42: Length of current training and education course (by ethnicity)

	Total Sample (n=236)	*Māori (n=74) A*	*Pacific Peoples (n=22) B*	*Other (n=140) C*
Less than 2 weeks	15	22 ↑C	22	10
2 weeks but less than 4 weeks	2	2	0	0
4 weeks but less than 6 weeks	0	0	0	0
6 weeks, but less than 8 weeks	2	1	4	3
8 weeks but less than 12 weeks/a term	2	3	0	2
12 weeks, but less than 6 months	5	7	5	3
6 months, but less than 12 months	9	9	23	8
12 months or more	57	45	44	67
Unsure	8	11	2	7

Base: All respondents currently undertaking training or education.
Significant differences are reported at the 95% confidence interval.
Sample size for Pacific Peoples is small - consequently, results for this group should be considered indicative only.
SOURCE: Survey of sole parents who left the benefit for employment, 2001

Table 43: Reasons for undertaking current training and education (%) – (by ethnicity)

	Total Sample (n=236)	*Māori (n=74) A*	*Pacific Peoples (n=22) B*	*Other (n=140) C*
Increased knowledge/skills	78	77	82	79
Improve position at work/help get promotion/pay increase	37	35	27	38
Qualifications for CV	29	23	30	33
Increased confidence/self-esteem	22	20	41	22
To help get a better job	19	16	19	21
To help get a new job	15	14	14	15
To keep job/part of job requirements	14	25 ↑C	19	5
To get pay increase	11	12	23	9

Base: All respondents currently undertaking training or education.
Note: Multiple responses to this question encouraged. Consequently, the columns may total more than 100%.
Significant differences are reported at the 95% confidence interval.
Sample size for Pacific Peoples is small - consequently, results for this group should be considered indicative only.
Table lists those reasons mentioned by five or more respondents.
SOURCE: Survey of sole parents who left the benefit for employment, 2001

5.4 Factors affecting entry to employment

5.4.1 Factors that allow entry to employment

There was a range of factors that appeared to be positively associated with entering employment. These factors included:

- older children
- fewer dependent children
- older age of the sole parent
- good health and well-being of child(ren)
- availability of suitable work
- appropriate skills and qualifications
- previous employment
- access to childcare
- a combination of positive internal characteristics

Each of these factors is described in greater detail below.

5.4.1.1 Age of the youngest child

The age of the youngest child appears to be a key factor influencing a sole parent's decision to enter employment. The SWIFTT administrative data shows that the greatest movement into employment has been for those with a youngest child aged 14+ years **(refer to section 6.1 Employment gained by sole parents).** The qualitative outcomes research and the Post-Placement Support evaluation also found that sole parents with older children were more likely to enter work than those with young children. The Post-Placement Support evaluation noted there was a strong motivation to seek employment when the youngest child was getting close to leaving school: *"Another strong motivator to become work ready or look for work was the imminence of one's youngest child leaving school. Women in this situation often experienced anxiety together with determination as they realised that they would have to relinquish the DPB and were*

afraid that they would be relegated to 'shitty' jobs, such as cleaning and washing dishes, if they did not do something to enhance their employment skills at this stage." (PPS evaluation, 2000)

While the qualitative outcomes research found that the age of the youngest child did have some impact on whether participants entered full-time or part-time work (Table 44), it suggested that the pattern was muted. Nevertheless, family responsibilities, both for children and parents, were repeatedly cited by those not in paid work as a factor in their non-participation.

Table 44: Paid work status April 2000 - April 2001 by age of youngest child

Paid Work Status	5 Years or Less	6 – 13 Years	14 Years or More	Total
Not employed – Not employed	9	3	5	17
Part-time – Not employed	2	2	1	5
Not employed – Part-time	4	1	0	5
Not employed – Full-time	1	1	2	4
Part-time – Part-time	1	6	2	9
Part-time – Full-time	0	0	2	2
Full-time – Full-time	2	8	8	18
Total	19	21	20	60

SOURCE: Qualitative outcomes research, 2001

According to the OECD's 1993 comparative study of eight OECD countries, mothers with younger children had the lowest rates of participation in the labour force due to greater need for child minding.

5.4.1.2 Number of dependent children

The qualitative outcomes research suggests that those with smaller numbers of dependants in their households were more likely to enter employment. This was supported by the survey of sole parents who left the benefit for employment, which found that:

- respondents with one dependent child were more likely to be working full-time work (88%) compared to those with two children (84%)
- this trend was stronger when their previous occupations were examined. Respondents with one dependent child were more likely to have worked full-time in their previous job (46%) than those with two children (31%).

Family size has been found to correlate with more problems in successfully entering full-time employment (Harris, 1993), with increased demands on the parents hand on resources, increased likelihood of illness or problems arising (Oliker, 1995) and increased childcare costs (Stephens, 2001). It appears that the number of children that a sole parent is responsible for proportionately decreases the likelihood that they will be employed. However, the impact of family size appears to decrease with the children's age (Wylie, 1980).

5.4.1.3 Age of the sole parent

The qualitative outcomes research reported that those who were in work tended to be older than those who were not in work. An examination of the ages of respondents who have left the benefit for employment (Table 45) and those who were still on the benefit supports the view that those in work were older than those who were not (Table 46). Older respondents tended to be less likely to have young children, a factor that constrains their ability to participate in employment. However some contradictions were evident in the data. The survey of sole parents who left the benefit for employment found that those who obtained permanent employment were more likely to be under 30 years of age.

Table 45: Ex-DPB recipients who have left the benefit for employment (by age)

Age of Respondent	*Share of Total (Weighted) Sample (%) (n=1000)*
Younger than 20	0
20 – 29	26
30 – 39	45
40 – 49	26
50 – 59	3
60 +	0

SOURCE: The survey of sole parents who left the benefit for employment, 2001

Table 46: DPB and WB recipients by age

Age Group	*1996 Census[1]*	*DPB (% to Total)[2]*	*WB (% to Total)[2]*
15-20 years	11	3	0
20-29 years	23	38	1
30-39 years	24	41	6
40-49 years	21	12	7
50-59 years	15	4	54
60-64 years	6	1	33

1: Census includes all females and males aged 15-64 years.

2: Average number per month of DPB and WB recipients for the period June 1996 to April 2001. DPB at 109,433 recipients per month and WB at 9,269 recipients per month.

SOURCE: DWI administrative data, 2001

The literature also suggests that age may be a factor in sole parents' entry into employment (Rochford, 1993). Harris (1993) uses a human capital model to explain age as a variable in employment. As young sole parents often have low education and little work experience, their human capital is low, and without resources to invest in higher education their employment options are limited. Older sole parents have had more time to obtain work experience and their children are often more independent, allowing time for education (Harris, 1993).

5.4.1.4 Health and well-being of children

The qualitative outcomes research found that those sole parents with children who were in good health and coping well were more likely to enter employment than those who had children with greater needs.

5.4.1.5 Childcare

Access to reliable and affordable childcare - either formal or informal - was an important factor in whether or not sole parents enter employment. In this evaluation it was consistently found that those who relied on informal care needed to have amenable family, friends and neighbours they could trust to care for their children while they were at work. The qualitative outcomes research noted that the sense of trust was as important as objective measures of quality for participants when arranging childcare. The heavy reliance on family for childcare reflected the importance parents placed on trust.

This finding is supported by the literature. In the advent of a move to encourage sole parents to spend more time in the workplace than working in the home, the consideration of meeting adequate childcare requirements is essential. Adequate childcare is not just about provision. When children are sick then crèches and other group care services become unavailable and employers, co-workers and support staff

need to respond appropriately to the essential demands placed upon a parent in such circumstances (Mink, 1998).

The extent and cost of childcare was an important factor in determining labour force participation in the OECD's (1993) comparative study of eight OECD countries. While some studies indicate that pre-schoolers tend not to be a barrier to parental employment (Harris, 1993), at least of a part-time nature, for most parents the quality of childcare available and the safety of their children were seen as their main concerns (Levine et al, 1993; Oliker, 1995). Most employed sole parents in Levine et al's (1993) study considered childcare to be "problematic". The exceptions to this were parents with older children (in their early teens) and those with reliable back-up support, such as their own mothers, to care for children while they worked.

5.4.1.6 Skills and qualification levels

The qualitative outcomes research found that those with greater skills and/or educational qualifications found it easier to enter the labour market. A number of sole parents in the qualitative outcomes research and the PPS evaluation had used their time on the DPB to improve their educational qualifications so that they could move more easily into higher paying, more stable employment.

This finding is supported by the literature, both internationally and in New Zealand. Barr and Hall (1981) view education[76] as an essential part of any programme orientated to reducing welfare dependency. They suggest that education, whilst being more long-term than many other interventions, also has a wider effect, with visible impacts on the parents' psychological well-being, potential wage earning ability and employability, and on the well-being of the wider society (Barr & Hall, 1981).

Danziger, Haveman and Plotnick (1981), Maloney (1997) and Moffitt (1992), in their studies of United States benefit reform and labour supply, found differences in the effects of benefit reforms amongst groups differentiated by education levels. Reductions in benefit receipt were associated with higher rates of employment for beneficiaries with post-school qualifications. In the studies, this rate of impact was twice that of individuals with no school qualification or those with only secondary school qualifications (Danziger et al, 1981; Moffitt, 1992). This effect was hypothesised as being a function of post-school qualified beneficiaries having a greater ability to respond to the welfare reforms because of better job prospects (Danziger et al, 1981; Moffitt, 1992). Educational attainment was found to be an important determinant of labour force participation in the OECD's (1993) international comparative study of eight OECD countries.

New Zealand census data supports the role of education in predicting employability, with sole mothers with tertiary qualifications being three times more likely to be employed full-time than sole mothers without the same level of schooling (Wylie, 1980). Harris (1993) and Levine et al (1993) found that when sole parents have higher levels of education, or well-qualified past work experience, they were more likely to enter employment at a wage level capable of supporting their family and the expenses of working.

5.4.1.7 Prior labour market attachment

The Qualitative Outcomes Study and the PPS evaluation found that prior labour market attachment also appeared to be an important means of acquiring skills and contacts that assist in getting off the DPB: *"I had no contact with WINZ. I got my job through my neighbour. I did voluntary work then that led to paid work and then full employment."* (Māori Employed 14+ yrs, Qualitative Outcomes Study, 2001)

This finding is supported by the literature. Research with sole parents indicates that those with experience in paid work prior to becoming sole parents were more likely to return to paid employment (e.g. Levine et al, 1993; OECD, 1993). The OECD (1993) comparative study of employment rates of married and single mothers found that single mothers were more likely to participate in the labour force if already employed before becoming a single mother. These findings are also supported through converse indications that the

[76] Education in this context is defined as formal education received from secondary or tertiary institutions, such as high schools, universities and polytechnics.

longer someone is out of the labour force the greater the corresponding reduction in their employment prospects (OECD, 1994).

Twenty-eight of the 95 New Zealand sole parents interviewed by Levine et al (1993) were self-supporting and all of them had had substantial experience in paid work (at least one year in any particular job) prior to becoming sole parents; about half had 10 years' experience or more. In the OECD (1993) study, teenage mothers, due to their lack of education and previous work experience, had one of the lowest labour force participation rates. Levine et al (1993) also found those sole parents in their study who had no work experience tended to be quite young, all being in their teens or early twenties.

There are a number of theories as to why previous work history/experience assists welfare recipients' uptake of employment. For example, previous work experience may provide sole parents with employment contacts and job openings. While this may be accurate for some people it does not account for those who take up previously unfamiliar employment (Levine et al, 1993). The study proposes that prior paid work experience may cause sole parents to be *"psychologically anchored to the world of employment"* (Levine et al, 1993:12). The nature of this "anchor" varies between people but could include knowledge of what paid work involves and confidence in their ability to work and parent, or provide a self-image as a working person who can be self-supporting.

5.4.1.8 Availability of suitable employment

Those who live in areas where suitable employment is available will be better able to enter employment **(refer to section 5.2 The availability of suitable work)**.

The qualitative outcomes evaluation reported that those seeking part-time employment can find entering employment easier. This group appeared to be less concerned with the risk that entry to paid employment might mean to a sustained income because they knew they would retain the DPB.

5.4.1.9 Internal characteristics of the sole parent

The Post-Placement Support evaluation and the qualitative outcomes research identified a number of internal factors that contributed to sole parents' finding full-time employment. These included:

- a strong desire to get off the benefit and to become independent and free of obligation to DWI
- personal/political drive (e.g. doing something for Māori; making parents proud of them)
- belief in own talent
- confidence from previous recent and/or successful work experiences and training courses
- wanting to set an example to their children.

These results were consistent with the findings of the survey of sole parents who left the benefit for employment. The most frequently mentioned benefits of leaving the DPB were having improved self-esteem (56%) and a greater sense of independence/self-sufficiency (38%).

5.4.2 Factors that limit entry to employment

There were a number of factors that limited entry to employment generally. These were:

- concerns about the health and well-being of their children
- difficulties arranging childcare
- low availability of suitable employment
- perceived discrimination
- poor educational qualifications and/or skills
- low levels of labour market attachment
- unfavourable abatement rates
- lack of confidence/fear of the unknown.

Each of these factors is described below.

5.4.2.1 Concerns about the health and well-being of their children

A key factor limiting sole parents' entry into employment was concern about the health and well-being of their children. The qualitative outcomes research found that, for some sole parents, being available for their children was a real imperative. This was particularly important at critical points in their children's lives. These critical points/situations included:

- children who were coping with the break-up of the family either through death or separation
- teenage children
- children who were unwell or disabled
- children who had problems at school or with their peer group: "I want work though and am getting desperate. I'm not in work or training because my ADD son needs care and the family is still adjusting to the death of my husband two years ago." (Other WB 7-13 yrs, Qualitative Outcomes Study, 2001)

This is supported by the literature review. When children are sick, crèche and daycare centres become unavailable, forcing sole parents to find alternative arrangements, often at short notice. In New Zealand most employers offer 10 days' sick leave per year to cover illness of the employee and family that may need to be cared for. Sick leave provisions may also have further restrictions such as entitlement accruing only after the employee has been working for six consecutive months.

Some parents turn to their family to help out (Oliker, 1995) when children are sick, while others may use paid sick leave if they have any or take unpaid days off work (National Advisory Council on the Employment of Women, 1999). Parents without family support or who have limited sick leave provisions or unsympathetic employers may be forced to leave work because of childcare difficulties. Lack of support is often one of the more common reasons for parents to return to welfare, as their childcare demands often result in job loss (Harris, 1993; Oliker, 1995).

The other key relationship between health and childcare is that parents of children with disabilities have limited access to conventional care provisions (Cherlin, 1995). A small number of the sole parents in Levine et al's (1993) study cited the health of their children as the reason why they did not seek employment. Research suggests that families in poverty are more likely to have children with a disability or health impairment that lasts for more than six months (Federman et al, 1996). These parents are likely to find that childcare facilities that meet the needs of their child are unavailable (Cherlin, 1995).

5.4.2.2 Difficulties arranging childcare

The lack of affordable, quality childcare was an issue for many sole parents considering entry to employment.

The New Zealand literature indicates that access to childcare is an issue for sole parents. The lack of suitable or flexible childcare hours was cited as a barrier by 22% of mothers in the 1998 New Zealand childcare survey of parents who wanted to participate in employment (National Advisory Council on the Employment of Women, 1999). The New Zealand childcare survey found that higher proportions of sole parents (30%) than parents from two-parent families (12%) had difficulties accessing childcare. The main reasons for this lack of access were cost (47%), lack of informal care by someone known and trusted (30%), lack of suitable or flexible childcare hours (30%) and lack of local services (10%). Cost was more of a barrier for sole parent mothers (61%) than for partnered mothers (40%). Problems accessing care also affected mothers more than fathers, with 22% finding their participation in paid employment was affected compared to only 5% of fathers (National Advisory Council on the Employment of Women, 1999).

A number of the evaluations in this strategy found a high reliance on family and friends to assist with childcare. For those who were isolated from such support, entry into employment was particularly difficult. However, the qualitative outcomes research found that even those with strong support from family and friends found there was a limit to how much they could ask others to look after their children while they were working: *"All the grandparents are in full-time work and needing to remain so to prepare for their own retirement."* (Other WB 7-13 yrs, Qualitative Outcomes Study, 2001)

"Day care will be a problem. It will cost half my wages in day care. I've got no parents for childcare and friends are working." (Other DPB 0-5 yrs, Qualitative Outcomes Study, 2001)

"It's the holidays that are the problem because I can't afford a sitter. My mum helps out. But I can't always use her. So this week, for example, I've taken the week off." (Māori DPB 7-13 yrs, Qualitative Outcomes Study, 2001)

"My family helps out but I cannot get [childcare] costs paid to family members and the childcare services are too far away from school." (Māori DPB 0-5 yrs, Qualitative Outcomes Study, 2001)

The literature supports the view that there is a limit to the amount of informal care sole parents have access to. United States data shows that, in many cases, it is grandmothers who provide much of the unpaid childcare for sole parents. In some ways this is a positive provision, as children have stability in their caregiving, they can be cared for in their own homes, and have minimal disruption to their day-to-day routines (Cherlin, 1995). However, grandparent care is not the answer to all childcare problems and some parents see unpaid care as a greater barrier to working more hours than paid work might be (Cherlin, 1995), possibly due to the greater levels of reciprocation established (Albelda and Tilly, 1997; Oliker, 1995; Rein, 1982). Further, grandparents may be required to work themselves, particularly in the case of poor families (Cherlin, 1995). In particular, for parents of younger sole parents, evidence suggests that some degree of conflict can arise from the parent being unready to take on the role of grandparent and feeling split between their lives as parents and workers (Cherlin, 1995). While relatives may be able to provide short-term emergency care when necessary, it appears that such assistance can breakdown in the long term and negatively impact on extended family relationships (Cherlin, 1995).

5.4.2.3 Low availability of suitable employment

The extent to which jobs were available was unclear. The qualitative outcomes research reported that most sole parents interviewed faced significant difficulties in accessing employment with sufficient hours that allowed them to manage their family responsibilities, cover the costs of entering employment and provide medium- to long-term certainty. Most respondents felt that they were caught in casualised, low-paid and unskilled work that offered poor conditions and few career prospects. In both urban and rural/provincial areas, the work available was seen as frequently uncertain and vulnerable to redundancy. Refer to section 5.2.3 Differences in availability of suitable employment according to ethnicity, age of youngest child, or geographical location.

The availability of local, permanent, secure employment was raised as a particular issue for Māori in the qualitative outcomes research.

Refer to section 5.2.3.2 Differences in availability of suitable employment according to ethnicity.

While it is difficult to measure job availability, some New Zealand literature indicates that the perception by people that there are limited jobs available is often enough to be a barrier to actively seeking work (Fletcher, 1999; Levine et al, 1993).

5.4.2.4 Perceived discrimination

Discrimination (perceived or actual) because of race, sole parent status, appearance/style or age was raised by respondents in the Qualitative Outcomes Study as a barrier to entering employment.

Pacific Peoples in the Qualitative Outcomes Study felt particularly subject to racial discrimination in the labour market. They cited difficulties finding positions despite previous long work histories and continuous job search efforts. Māori participants also felt they were subject to racial discrimination.

Sole parent discrimination was strongly expressed by respondents in the Qualitative Outcomes Study. Participants felt that they were less attractive to employers because of their family responsibilities. Some participants commented that prospective employers questioned them closely about childcare arrangements and arrangements for sick children. Participants felt that employers at times made it unnecessarily difficult for sole parents by not having a more flexible approach to working hours and school holidays. For those with highly casualised jobs it was particularly difficult to arrange childcare and supervision.

This was supported by the literature. Employers were seen as discriminating against women with children, as they perceive conflicts between the parent's role as a worker and as a parent – drawing the conclusion that the individual's work will suffer (Dixon, 2000; Levine et al, 1993). Employers were not commonly seen as being sympathetic or understanding of a sole parent's primary role of caregiver and the demands that this may place upon them (Wilson, 1995), particularly in the case of sole parents who have children with a disability or chronic illness (Schein, 1995).

A number of participants believed that employers discriminated against them because of their appearance, particularly their weight, clothes or speech.

5.4.2.5 Poor educational qualifications and /or skills

Having poor educational qualifications and skills did not necessarily limit entry into employment but did appear to limit entry into higher-paying, more secure employment. For example, in the survey of sole parents who left the benefit for employment, those with no formal educational qualifications were more likely to be in work of uncertain tenure. Those with a university qualification were more likely to be employed in professional occupations (55%) than all other respondents.

Older women in the qualitative outcomes research reported that earlier decisions to leave school early had had a lasting effect. Many viewed those decisions as making them vulnerable to welfare dependency and unable to support their children after marriage breakdown.

The PPS report stated that *"people were very aware that the workforce and workplace were changing rapidly and that to not be in the workforce would mean losing currency with it"*. Some respondents in the PPS study felt their employability was reduced in part because of their lack of current skills, either in their previous work or in any kind of work, and their inability to identify their skills and value, even to themselves.

The qualitative outcomes research reported that respondents saw improving their educational qualifications as a key way out of "dead end", low wage jobs with poor conditions. However, it was difficult to combine work, childcare and study. This is supported by the literature. Choat (1998) cautions that full-time, or even part-time, education is also subject to many of the limitations and costs that restrict sole parents' access to employment (e.g. childcare, transportation, difficulties finding care for sick or disabled children). While students may have access to subsidies and supports to cover the costs of education, these may not necessarily cover the additional costs incurred by sole parents (Choat, 1998).

5.4.2.6 Low levels of labour market attachment

Those with low levels of labour market attachment are more likely to find entry into employment more difficult.

Most respondents in the Qualitative Outcomes Study had tried to maintain labour market attachment and had significant work histories. However, the qualitative outcomes research noted that Māori attachment to the labour force appeared to be less robust. Māori had particular difficulties associated with labour market entry and with sustaining employment. For Māori this was associated with the casualised nature of the work available, but also with a range of other pressures including poor and uncertain housing, anxiety about the safety and security of their children, and, in some cases, apparent alienation and a lack of connection to paid employment norms and activities.

The literature suggests that there are a number of theories as to why previous work history and experience assists welfare recipients' uptake of employment. Previous work experience, for example, may provide sole parents with employment contacts and job openings. While this may be accurate for some people, it does not account for those who take up previously unfamiliar employment (Levine et al, 1993). Paid work experience may cause sole parents to be *"psychologically anchored to the world of employment"* (Levine et al, 1993:12). The nature of this "anchor" varies between people but could include knowledge of what paid work involves and confidence in their ability to work and parent, or provide a self-image as a working person who can be self-supporting.

5.4.2.7 Unfavourable abatement rates

Earnings-generated abatements to assistance, and debt incurred due to mistakes or miscalculations made with abatement or tax, were frequently cited as a factor exacerbating participants' anxieties about moving into part-time work by respondents in the Qualitative Outcomes Study.

5.4.2.8 Lack of confidence/ fear of the unknown

Lack of confidence and/or fear of the unknown were raised by the Post-Placement Support evaluation as barriers to sole parents' entering employment, especially full-time employment. The Post-Placement Support evaluation found that in some situations where people had had good jobs previously, the emotional trauma of their relationship separation had led to them feel insecure and unconfident in general, so that they found it more difficult to think of taking on work: *"Even if I wanted to work, I couldn't work because I lost all confidence in myself, and instead of feeling able to nurse, I felt that I was only capable of cleaning."* (Woman of 38 with a competent nursing background, PPS evaluation, 2000)

A significant number of participants in the qualitative outcomes study and the Post-Placement Support evaluation viewed relinquishing the DPB as a significant risk, as they would be leaving the security of a regular, albeit insufficient, income, for the unknown in terms of job and income security. Fear of the unknown in general was a major factor in the time some study participants took to become emotionally work-ready.

5.4.3 Differences in ease of entry into employment according to ethnicity

5.4.3.1 Ease of entry into employment for Māori

In the Qualitative Outcomes Study there were a number of factors that appeared to limit Māori entry into employment. These included:

- a perception amongst Māori respondents that there was low availability of more secure, permanent work in the areas they lived. **Refer to section 5.2.3.2 Differences in availability of suitable employment according to ethnicity**
- low previous connection with the labour market. Refer to section 5.4.2.6 Low levels of labour market attachment
- poor and unstable housing situations
- concern about safety of children
- lower likelihood of having formal qualifications.

One factor that appeared to ease entry into employment for Māori was having strong family support with regard to childcare. The Post-Placement Support evaluation found that Māori (and Pacific Peoples) in all regions, but especially in Hawke's Bay, appeared to have strong whānau support, especially when it came to childcare. It was common for Pacific and Māori to have three or more generations living in one house, so that childcare while a parent was working did not have to be sought outside the home. In contrast, some Pacific Peoples had lost the support of family because of shame associated with a marriage break-up, or, in the case of some New Zealand-born Pacific women, because they had distanced themselves from their parents' more traditional lifestyles.

5.4.3.2 Ease of entry into employment for Pacific Peoples

The Qualitative Outcomes Study found that the experience of Pacific participants in the New Zealand labour market was rather different from other groups, with Pacific participants showing a much closer involvement in paid labour prior to DPB and WB take-up. While in paid work this group tended to rely on extended family assistance for childcare. They had strong aspirations to return to the labour market but found re-entry difficult and their social and familial integration increasingly attenuated.

Racial discrimination in the labour market was felt in particular by some Pacific participants. They also mentioned barriers such as their age, lack of workforce experience, responsibilities for caring for other

family members and health problems. The Pacific participants were particularly keen on pursuing education and training while on the DPB and WB so as to enhance their employment prospects and get off the benefit.

The Pacific participants displayed very strong anxiety about their marginalisation to paid work, and reluctance to go onto the DPB and WB. Several were in education/training, but they had experienced problems in maintaining or gaining employment while on the benefit:

- they felt subject to racial discrimination in the labour force **(refer to 5.4.2.4 Perceived discrimination)**
- while some cited useful assistance they had received from DWI, others felt very upset and angry about treatment they had received and tended to avoid contact
- some were limited by their lack of qualifications and previous work experience to unskilled jobs.

5.4.3.3 Ease of entry into employment for Pākehā/Other

The Qualitative Outcomes Study found that while some "Other" participants appeared to find it easier than the other groups to enter paid work, this was confined to those "Other" with on-going work experience or who had acquired tertiary qualifications. Like the other groups, they also experienced the problems of getting trapped in a round of casual or temporary jobs and found it difficult to gain entry to higher-paying, more secure jobs.

The qualitative outcomes research noted that "Other" participants appeared to exhibit a classic pattern of married women's labour market attachment. That attachment typically involves leaving paid labour for childbearing and rearing of young children, financial dependency on partners for that period, and re-entry into paid labour as their children reach school age.

For "Other" participants, then, the DPB and WB filled the financial space left by a partner. These women felt stigmatised for being on the DPB and WB, but the pattern of removal from the workforce for childrearing is consistent with Other cultural norms, just as is later labour market re-entry.

5.4.4 Summary - entry into employment

Job search activities

DPB and WB participants, as a general rule, were highly motivated to gain employment where they considered their family circumstances gave them the freedom to appropriately do so.

The job search behaviour of sole parents reflected expected patterns in the general population. Most job search success occurred independent of DWI help and included activities such as the use of social networks and traditional job media, e.g. newspapers. For Māori, seeking employment opportunities through social networks was identified as a particularly important job search technique.

More important than the job search technique employed by sole parents were the conditions surrounding sole parents' ability to take on work. Once again the availability of childcare, skills and qualifications, and levels of local labour market demand were considered crucial factors in mobilising job search effort.

There is evidence to suggest that DPB recipients, particularly those with a youngest child aged 14 and over, found the work test increased their work search behaviour.

Suitable employment

The evaluations indicated that suitable work could be broadly defined as that which would provide hours that allowed participants to manage their family responsibilities, cover the additional costs associated with work and provide medium- to long-term certainty.

There were a number of characteristics that appeared to make some work unsuitable. These characteristics often interacted to make the work available unattractive, risky and/or inaccessible. These characteristics included:

- high levels of casualisation
- temporary or uncertain tenure
- vulnerable to redundancy
- exploitative (e.g. no payment)
- discriminatory on the basis of race, sole parent status or personal appearance and style.

Education and training

There is wide agreement that education and training enhance participants' opportunities of gaining employment and increases their employment choices. This finding may be contingent upon the type of training or education courses undertaken, however. The duration of courses was cited in national and international literature as an important factor in the quality of outcomes, for example those courses under six weeks were less likely to be related to sustained employment outcomes.[77] Participant experience in the present study also alluded to frustrations with participating in a series of miscellaneous training courses not considered to progress participants closer to employment.

The financial burden on sole parents in training was pronounced. This burden was threefold as it included the additional expenses associated with gaining employment, for example travel to training and provision of childcare, but did not bring in new revenue as it is hoped employment will do, and introduced course fees into the picture which for many introduced student debt. Taking on debt raised significant concern for many sole parents.

Participants articulated their need for financial assistance. The Training Incentive Allowance exists for the purpose of assisting sole parents into training and education.[78] However difficulties accessing the TIA were cited, as well as inconsistent application of entitlement between Case Managers.

Childcare requirements also posed a barrier to participation in education and training, including:

- fitting study and course attendance in with children's school hours
- availability of suitable and affordable childcare
- loss of time with children due to study requirements.

Access to educational institutions could be difficult for participants. Only a few participants were not able to identify any access difficulties. The access problems identified included:

- distance from educational institutions
- lack of transport
- lack of access to accredited providers and courses that attract funding assistance.

Entering employment

There were a number of factors that appeared to be positively associated with entering employment. These factors included:

- having fewer and older dependent children
- having healthy children
- access to childcare

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[77] This does not take account of work readiness however. For those lacking confidence or experience in training and education, short courses may fulfil a "readiness for further training" function that extends participants' confidence to go on and succeed in longer-term education and training.

[78] From 1 January 2000 all people who qualify for the TIA were entitled to receive up to a maximum of $3,000 per year to cover fees, course costs, childcare and transport. Between 1 January 1999 and 1 January 2000 those entitled to the TIA were required to fund 40% of their course fees and course costs either through a student loan or privately.

- availability of suitable work
- being an older sole parent
- appropriate skills and qualifications
- previous employment
- a shorter length of time on the benefit (refer also to section 9 Impact of the reciprocal obligations on the behaviour of DPB and WB recipients)
- a combination of positive internal characteristics (e.g. self-confidence, strong desire to get off the benefit and to set an example for their children).

There were a number of factors that limited entry to employment generally. These were:

- concerns about the health and well-being of their children
- difficulties arranging childcare
- low availability of suitable employment
- perceived discrimination
- poor educational qualifications and/or skills
- low levels of labour market attachment
- unfavourable abatement rates
- lack of confidence or fear of the unknown.

Sole parents often faced a number of the above limitations at the same time.

Factors that appeared to limit Māori entry into employment included a perception amongst Māori respondents that there was a low availability of more secure, permanent work in the areas they lived. Other factors included: low previous connection with the labour market; lower likelihood of having formal qualifications; poor and unstable housing situations; and concerns about safety of their children if they entered employment. Something that appeared to ease entry into employment for Māori was having strong family support with regard to childcare.

Pacific participants showed a much closer involvement in paid labour prior to DPB and WB take-up. They had strong aspirations to return to the labour market but found re-entry difficult and their social and familial integration increasingly attenuated. The Pacific participants displayed very strong anxiety about their marginalisation to paid work, and reluctance to go onto the DPB and WB. Several were in education/training, but they had experienced problems in maintaining or gaining employment while on the benefit:

- they felt subject to racial discrimination in the labour force
- while some cited useful assistance they had received from DWI, others felt very upset and angry about treatment they had received and tended to avoid contact
- some were limited by their lack of qualifications and previous work experience to unskilled jobs.

While some "Other" participants appeared to find it easier than Māori and Pacific Peoples to enter paid work, this was confined only to those "Other" participants with on-going work experience or who had acquired tertiary qualifications. Like Māori and Pacific participants, the "Other" group also experienced difficulties getting trapped in a round of casual or temporary jobs and found it difficult to gain entry to higher-paying, more secure jobs.

5.4.5 Implications – entry into employment

The findings raised the following implications:

- DPB recipients were generally found to be a highly work-motivated group. Enhancement of the key conditions outlined in this report for gaining and retaining employment should be considered:
    - childcare availability and costs
    - gaining further education and training
    - labour market demand

- labour market flexibility in terms of family circumstances

- sole parents will often move into employment if they consider the work suitable. Suitable work for sole parents appears to be that which would provide hours that allowed participants to manage their family responsibilities, cover additional costs associated with employment and provide medium- to long-term certainty. This raises two key issues:
  - the employment needs to have some certainty of tenure and hours along with adequate pay rates
  - sole parents need greater access to childcare that is available where and when they need it, and is affordable and safe
- the geographical location of sole parents appeared to be related to the range of suitable employment opportunities available to them. Māori DPB recipients, in particular, appeared to be more heavily concentrated in areas with industries traditionally dominated by men. This is an issue as the vast majority of sole parents are women. The variation in available employment opportunities between regions suggests sole parents may require access to employment assistance and education and training that is tailored to the types of employment available to them where they live
- the findings on education and training outcomes strongly reinforced the importance of investing in sole parents gaining post-school qualifications, as these are more likely to move sole parents into employment and/or extend their employment opportunities. Based on the findings, key components of government's investment in education and training could include:
  - financial assistance for sole parents with fees and other course costs such as childcare and travel (adequacy of current assistance measures - Training Incentive Allowance (TIA) and childcare subsidies). To address these factors a review may be needed[79]

  Further requirements include:
  - consistent administration of TIA by Case Managers
  - the development and support of more childcare facilities, catering to training and education hours of attendance
  - further research to better understand the types of education and training that are most likely to lead to sustainable employment for sole parents
- some key factors affecting sole parents' entry to employment are common to other groups of job seekers (age, skills and qualifications, previous experience, length of time on the benefit). However, sole parents' entry into employment was also affected by the number, age and health of their children, access to childcare and the availability of employment that provides sufficient income and allows them to meet their childcare obligations. Areas where the Government could play a role in improving entry to employment for sole parents include:
  - ensuring suitable childcare is available to sole parents entering employment
  - examining the extent to which abatement rates limit entry to employment
  - assisting sole parents to improve their skills and educational qualifications to enable them to move beyond low-wage employment.

[79] The Training Incentive Allowance is currently being reviewed.

6. Outcomes for sole parents following the DPB and WB reforms introduced in February 1999

The outcomes section will detail types of employment and earnings gained by DPB and WB recipients when they exited from the DPB following the 1999 reform changes.

The period available for examining changes in employment uptake for DPB and WB recipients following the 1998 DPB and WB reforms is extremely limited for making attributional judgements. The period under investigation within this report begins in February 1999 at the phasing-in of the reform changes and follows through to April 2001.

Further, it is important to note that within this two-year period, implementation of the reforms was hindered by a number of factors. These included the complexity of the policy, major organisational changes occurring within the agency responsible for the roll-out of the changes, restricted and difficult time frames, and varied application of delivery of the reforms. A number of other policy changes were also being implemented (e.g. changes to the Training Incentive Allowance and Community Wage - refer to Table 2 earlier). As a result, it is difficult to confidently attribute outcomes to specific DPB and WB reform policy changes. Refer to section 4.

6.1 Employment gained by sole parents

6.1.1 Participation in full-time and part-time employment

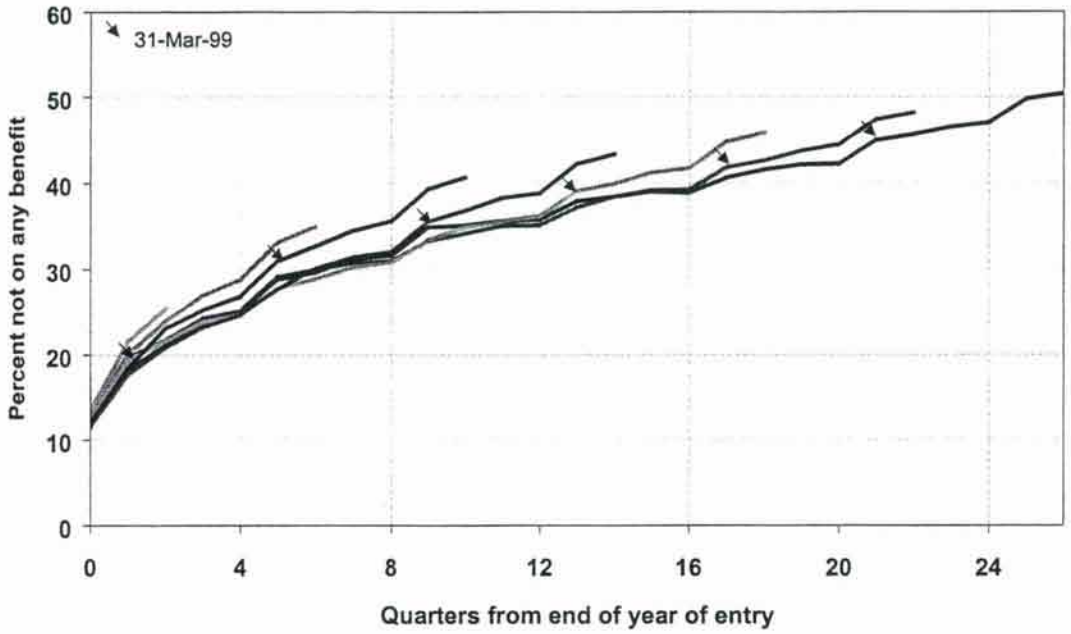
The following section will present available evidence on changes in the number of DPB and WB recipients moving into employment and in particular into part-time and full-time work after February 1999.

6.1.1.1 Exits to full-time and part-time employment

DWI administrative data (for the period June 1996 - April 2001) indicates that there was a steady decline in the total number of people receiving the DPB since January 1998 (Figure 1, earlier).

Time series analysis of MSD administrative data indicates that exit rates for DPB recipients, particularly those with a youngest child aged 14 or over, did increase following the 1999 reforms. A cohort analysis of the chances of successive cohorts of DPB entrants being completely off benefit (which captured possible effects on both exit and re-entry rates) showed a marked increase following the introduction of the reforms (Ball and Wilson, 2000). Figure 4 from the analysis shows that prior to the reforms, successive cohorts of entrants generally tracked one another closely, with the probability of being completely off benefit slowly increasing with increasing time from entry. This occurred in spite of quite marked changes in employment conditions.

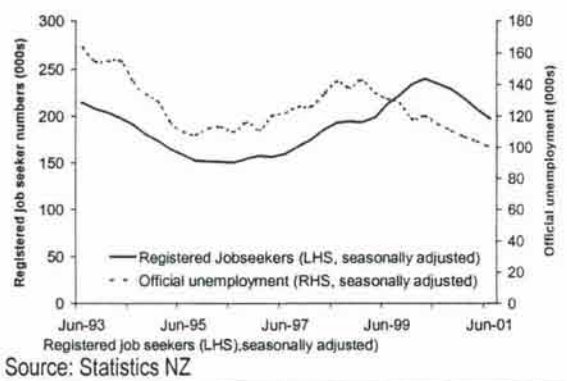
Figure 4: Percentage of cohort members not on any benefit either as primary or partner at quarterly intervals, 1993-1999 entry cohorts



SOURCE: Ball and Wilson, 2000

The unemployment rate has fallen steadily in recent years (as employment growth has been stronger than labour force growth), falling from 7% of the labour force in the June 1999 quarter to 5% in the June 2001 quarter. It is now equal to the rate recorded in the June 1988 quarter, and has not been lower since the March 1988 quarter when it was 5%.

Figure 5: Registered job seekers and official unemployment



Source: Statistics NZ

As Figure 5 shows, the number of registered job seekers has fallen steadily since the March 2000 quarter, after rising since the middle of 1996. The recent improvement in these numbers supports the recent fall in official unemployment. However, the two measures diverge in 1999 for two reasons. Firstly, the work test procedures led to increasing numbers of some beneficiary groups moving onto the register. These beneficiaries included DPB and WB recipients, and spouses of beneficiaries. Secondly, there were operational and procedural changes that increased the number of DPB recipients on the register.[80]

Overall, the average probability of being off benefit at 30 June of the year following their entry to benefit (quarter 2) was 3 percentage points higher for entry cohorts passing this point after February 1999 (25% compared with 22% for preceding cohorts), an increase of 14%. The size of the increase was greatest for those with a youngest child aged 14 or over at entry (38% compared with 33% for preceding cohorts, an increase of 17%). This is consistent with the expected policy impacts. However, the increase in non-receipt was also pronounced for those with younger children not targeted by the full-time work test. The reforms may have had a signalling effect, which led to wider changes in full-time employment

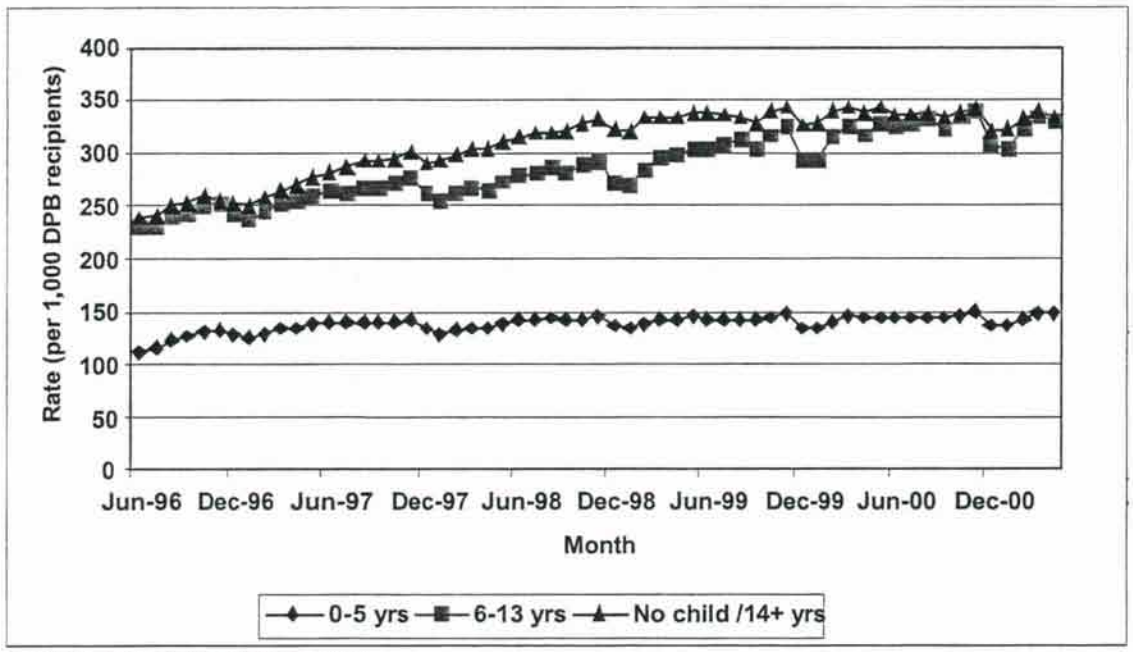
[80] The move towards complete integration of employment and income services over the year improved the accessibility of employment services to a wide range of beneficiaries, including those who are non-work-tested. The impact of this change was reinforced by the move to use DWI's employment database as the primary case management tool, and by centres' desire to meet internal targets. These changes contributed to a rise in non-work-tested beneficiaries enrolling on the register. In addition, changes to lapsing procedures in 1998 also contributed to a rise in the register over 1999. The changes reflected operational policy changes in 1998 designed to maintain customer enrolments and reduce the administrative burden of frequent lapses followed by re-enrolments.

propensities than expected. Alternatively, general improvements in employment conditions and other policy changes may have caused some of the shift. It is not possible to isolate with certainty the respective impacts of the 1999 reforms and these wider changes (Ball and Wilson, 2000).

The analysis found no increase in declared earnings around the time of the reforms. It is not clear whether this means that the part-time work test had no impact on part-time employment rates, or whether the increased rates of movement off benefit masked any increase in part-time employment that occurred. If those who already participated in part-time employment were more likely than those who did not to move off benefit following the February 1999 changes, compositional shifts could explain the absence of a more marked increase in earnings propensities for those remaining on benefit (Ball and Wilson, 2000).

Alternatively, there may not have been a marked increase in part-time employment following the February 1999 changes because sole parent beneficiaries who could participate were already participating in part-time employment (Figure 6). DWI administrative data indicates that participation in part-time employment has increased since 1996. However, participation rates have been relatively stable since 1996 for those with a youngest child under six, and since 1998 for those with a youngest child aged over 14. Participation rates for those with a youngest child aged 7 to 13 years have been increasing over the past five years.

Figure 6: Rate of declared earnings among DPB recipients by age of youngest child



SOURCE: DWI administrative data, 2001

Trends in DPB recipient exit rates are consistent with recent upward trends in employment growth and labour force participation by women. HLFS data indicates that employment growth since June 1999 has primarily been in full-time jobs (more than 30 hours a week). While part-time employment only increased by 0.2% (1,000 people) between June 1999 and June 2001, full-time employment grew by 5.5% (74,000 people). However, part-time employment has picked up more recently, rising 2.7% in the year to June 2001 compared to a 3.4% rise for full-time employment. Over the past two years, female full-time employment growth has been stronger than that for males, while male part-time employment growth has been higher than that for females.

The labour force participation rate (that is, the proportion of the working age population in the labour force) was steady in 1999, fell in mid-2000, but increased in late 2000 and early 2001. The participation rate in the June 2001 quarter was 65.9%, which is the highest rate since the September 1996 quarter. This has been driven by a rising female participation rate, from 57.6% in the June 1999 quarter to 58.6% in the June 2001 quarter, as male participation rose by only 0.2 percentage points. This continues a long-term trend of rising female participation and falling male participation in the labour force.

For exits into employment, Māori and Pacific DPB recipients had consistently lower rates than Pākehā and Other.[81] However, over time all groups experienced very similar relative increases in earnings and employment exits over the period. This is consistent with HLFS data. Employment growth for Māori has been very strong over the past two years, rising 20.4% since June 1999, and the Māori unemployment rate has fallen significantly. However, more recent results suggest that there has been some slowing in the rate of improvement, and significant disparities between Māori and non-Māori remain.

6.1.1.2 Who is likely to participate in full-time employment?

Most of those who leave the benefit for employment appear to have obtained full-time employment. The survey of those who left the benefit for employment found that 86% of respondents were in full-time employment compared with 14% of respondents who were employed part-time.

The results of the survey and the Qualitative Outcomes Study also indicated that:

- the survey indicated that male respondents were more likely to be employed full-time than female respondents (95% of males compared to 84% of females)[82]
- those under 30 years of age in the survey were more likely to be employed full-time (89%) compared to 77% of those over 30 years of age
- the Qualitative Outcomes Study found that participants in part-time as well as full-time work tended to have fewer children than those with no work. The survey indicated that those with one dependent child (88%) were more likely to be employed full-time compared to 77% of those with two children
- survey respondents who have been working for less than five years (90%) and between five and nine years (86%) were more likely to be working full-time than all other respondents (73%)
- survey respondents working as plant/machinery operators (96%) and trade workers (89%) were more likely to be working full-time than those employed as technicians/associate professionals (83%), service/sales workers (83%) and clerks (81%)

In the survey of sole parents who left the benefit for employment there were no significant differences in the distribution of those working part-time and full-time by ethnicity or age of youngest child.

For information on the relationship between part- and full-time employment refer to section 6.1.1. Refer also to section 6.1.2.3.

6.1.1.3 Movement from part-time to full-time work

As outlined previously there is a trend towards greater participation in full-time employment by sole parents, particularly those with older children. This movement was evident in the survey of sole parents who left the benefit for employment. When comparing respondents' previous job with their current position, 86% were in full-time employment compared with 43% previously being in full-time employment. This may indicate that the ageing of the participants' children freed them up to move from part-time or no work into full-time employment.

In the Qualitative Outcomes Study only two participants moved from part-time work to full-time work. No participants moved from full-time work to part-time work throughout the year of the study. Both the participants that moved from part-time work to full-time work had youngest children aged 14 years or older (Table 47).

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[81] Other refers to all DPB recipients not identifying themselves as Māori, Pacific Peoples or Pākehā.

[82] Prior to the recent DPB and WB welfare reforms which came into effect in February 1999, census reports for the New Zealand population suggested there was a decline in the amount of paid work performed by sole parents (Rochford, 1993). Gender differences were found, with fewer sole mothers in paid work (20% in 1991) than sole fathers (46% in 1991). There were also differences in type of work obtained, with sole fathers tending to work full-time compared to sole mothers, who were more likely to work part-time. Dixon (2000) found that women with young children make up the bulk of New Zealand's part-time labour force.

Table 47: Paid work status May 2000 - May 2001 by DPB and WB status at Phase 2

Paid Work Status	*DPB and WB at Phase 2*	
	Recipient	*Non-Recipient*
Not employed – Not employed	16	1
Part-time – Not employed	5	0
Not employed – Part-time	4	1
Not employed – Full-time	0	4
Part-time – Part-time	7	2
Part-time – Full-time	1	1
Full-time – Full-time	0	18[83]
Total	33	27

One missing case
SOURCE: Qualitative outcomes research, 2001

The qualitative outcomes research cautioned that the differences between those not in paid work, those in part-time work and those in full-time work should not be overstated. This research identified considerable fluidity in the labour force position of participants. Moreover, it was clear that there was not necessarily a linear pathway from DPB and WB receipt and non-labour force participation to part-time work progressing finally to full-time work. Some participants maintained a continued involvement in paid work and/or voluntary work throughout their time on the DPB. In addition, being in full-time work did not necessarily mean leaving the DPB and WB, although the movement from no employment or part-time employment to full-time employment tended to be associated with exiting the benefit.

6.1.1.4 Circumstances under which there is a move to full-time work

The qualitative outcomes research noted that full-time work became worthwhile when a participant:

- could find employment which was both certain and flexible to fit in with childcare responsibilities
- could access affordable, flexible and trusted[84] childcare – often provided by family
- was free from debt
- was able to enter higher-paid work (e.g. professional, managerial, and technical occupations).

Refer to section 5.4.1 Factors that allow entry to employment for further details.

Examples of the dynamics of moving off the benefit and into work

Some of the dynamics of moving from the benefit to paid work and vice versa are outlined in the following cases.

Case 1. Moving from no employment to part-time work and training (Māori participant)

In the past year, IT, a young woman working in Auckland, has moved house, come off the DPB, obtained a well-paid part-time job, taken up training, gained a partner and given the care of her child to her mother. These major changes have been prompted by a strong desire to get out of debt and gain more skills and qualifications. *"I tried everything that was possible while on the DPB. The DPB was not enough to cover my outgoings. I created debt trying to meet their requirements, going to appointments, phone calls, bus fares, childcare costs ... I started to run accounts, credit cards getting used all the time."*

At the time of the first interview IT lived with her three-year-old son, a relative, a friend and her child. IT had her son while still at school. She left school with no qualifications, but went on to do some trade-related training and spent a few months in each of three jobs. She spent a short time on

[83] It should be noted that of the 18 participants in full-time work at the Phase 1 interviews, the only significant shift was that two who had been receiving the DPB and WB at Phase 1 exited the benefit. None of these full-time workers left paid work.

[84] The sense of trust is as important as objective measures of quality for participants when arranging childcare. The heavy reliance on family for childcare reflects this.

the DPB in 1998 after completing a training course and being unable to get a job, and then went back on the DPB in 1999 as she moved to Auckland and had no other source of income.

IT had no paid work or training while on the DPB. She was keen to get a job that paid more than the DPB, and also felt pressured to get off the benefit – *"I was told [by my Case Manager] that I have to find a job in the next three years or my benefit will be cut off."* Although she was advised about training options, IT felt that they were not the types of training she wanted to do. She also felt unable to afford training, and was not aware of any financial assistance for training – *"they did imply that I must participate or I would lose my benefit."*

Suffice to say the occupation that IT has had for six months prior to the second interview is not the sort that would be recommended by DWI. Nevertheless, IT found that she received no help from DWI in seeking a job or training. Nor did she actively seek assistance from them because *"... it takes too long to get appointments, too much hassle."*

Her son now lives with his grandmother because of the nature of IT's job. *"It is not the sort of job any mother should be doing, but it has been paying off all my debts. I am now getting on top of things and have time to do training and spend weekends and sometimes days with my son."* IT studies 10 hours a week in a six-month computer and office skills course.

Even though IT has gone off the benefit, she continues to receive letters from DWI – *"I have had four letters from them in the last five months informing me that I have had four new Case Managers"*. In a few years' time IT sees herself as working in the computer or marketing fields, debt free, and spending more time with her son. She is determined to *"stay away from any benefit"*.

SOURCE: Case 7, Qualitative outcomes research, 2001

Case 2. Moving from training to part-time employment ("Other" participant)

SP lives in Auckland with her three children aged 10, 8 and 5 years. She has been on the DPB since 1995. Her reason for taking up the benefit was that she had a newborn baby and two pre-school children when her husband left her. Prior to having children, SP pursued a career in the fitness industry both in New Zealand and overseas. She had left school with Sixth Form Certificate, but while on the DPB decided to qualify in office administration and computing as she considered she needed more marketable skills. For SP, the DPB has been *"good for my situation at the time, but it is time to move on now, I want to get off it"*. SP started her year-long polytechnic course before her youngest child started school. She had few childcare problems, as her youngest attended crèche near the polytechnic, for which SP received a childcare subsidy. The course fitted in with the school hours of the older children. There were some difficulties when the children were ill, and SP relied on her father to look after them.

SP has planned her career change, and organised her course herself. She had not been to a planning meeting with her case officer. SP found out about TIA assistance through acquaintances and, on inquiring about it to DWI, found she was eligible. Since the first interview SP has finished her training and obtained the type of job she wanted in office administration. She has been there for two months. It is a permanent part-time job for three days a week, with the possibility of it extending into a full-time job. SP saw the job advertised in the paper and applied for it. She had no assistance from DWI in seeking work.

Although the job's hourly rate is good, and the job exactly what SP wants, she is having major problems. She gets less in the hand now she is working and cannot afford to live on her income. Last year SP received $860 a fortnight, including the CCS and AS. She now receives $140 a week benefit, and including her salary, makes around $790 after tax a fortnight. SP incurred costs in starting work. Although she received a clothing grant, she spent more than that on a suitable wardrobe for her job, and has also had to borrow clothes. She has also had increased transport costs to get to work. The problem is compounded because SP has been unable to access an approved OSCAR provider, which would make her eligible for a subsidy. Consequently, she has to pay childcare for three children for three days after school, at a cost of $60 per week. SP has no idea how she will manage childcare in the school holidays, and hopes her father will be able to look after them.

SP approached her Case Manager for some supplementary financial assistance, and was advised to give up her job and go back full-time onto the DPB – *"I was shocked ... I don't want that, I want*

more to supplement my pay. They didn't have any suggestions ... I really like my job, but I'm going through a lot of stress thinking how I can keep my job ... what they're doing now defeats the purpose of me going to tech last year ... there is no incentive to get a job. I want to get off the benefit altogether. I called Inland Revenue about getting family support. DWI didn't tell me about that."

SOURCE: Case 2, Qualitative outcomes research, 2001

Case 3. Moving from part-time to full-time work ("Other" participant)

CW went onto the Widows Benefit in 1996 when her husband died. At that time she had two children, one a teenager, and was employed part-time. CW, her husband and children lived near Christchurch on a few acres. Since leaving school CW has had a strong interest in horticulture, and has had various jobs as a florist, gardener and groundsperson. Both she and her husband had periods of unemployment. When her husband died, CW was not comfortably off financially, although she had the family home, and was able to grow many of their vegetables. She was used to a "low-income, low-cost lifestyle".

At the time of the first interview, CW had been employed over a year for 10 hours a week as a caretaker and gardener at the local school. The job was only permanent insofar as the school could maintain funding for it. CW had got the job on her own initiative. CW was also involved in voluntary work for two hours a week. One child was at high school, and the other had just left school to take up a job, although was still living at home. CW was actively looking for more hours of work, partly because she wanted to be more financially independent, and partly because *"my Case Manager has mentioned I should be doing more hours"*.

One year later, CW has moved off the WB. She has increased her hours of work, her second child has left school, and her new partner is regularly part of the household. With these household changes, CW sought information from her Case Manager regarding her eligibility for the WB. She understood it was possible to still receive some financial support, but was reluctant to remain on the benefit because *"they wanted to know everything ... you felt as if they were looking over your shoulders"*. Getting more work was important to CW as she wanted to enter her new relationship financially independent – *"I didn't want him to support me."* CW had the school job, but no more hours were available. Consequently, she had to take on two part-time flower-picking jobs. Both jobs are seasonal, depending on market demand.

CW now has three employers, and has achieved her target of working for 30 hours a week. All jobs have been obtained through her own initiative, by ringing up friends and local employers. CW is not sure how long any of the jobs will last. The flower picking is seasonal and based on demand. CW is also concerned about getting into difficulties with tax, as she said with three employers, *"it's not easy keeping track of my pay"*. CW's voluntary work has stopped, because she now has limited free time.

CW is earning less than she was a year ago, although she is off the WB and is working 30 hours a week. She relies on her two children paying board, and her partner "buying extras". She has also had problems in getting her Community Services Card reinstated, as it was stopped when she went off the WB.

SOURCE: Case 5, Qualitative outcomes research, 2001

Case 4. Moving from training to full-time employment (Māori participant)

TB lives in a small provincial town. She has three children, one 12 and the other two young adults. TB left school with no qualifications. She has had extensive work experience since 1973, mainly in seasonal labour in shearing sheds and casual employment as a kitchen hand. Between 1991 and 1997 TB started to gain qualifications in te reo Māori, office administration and computing, through courses at a local private training establishment and polytechnic. TB was also actively involved with her family, wider whānau, local marae and kapa haka group. She was a student in 1997 when she separated from her husband. Because her course was a year long, she was unavailable for work and went onto the DPB. With three children living at home she found the DPB the only viable option. It enabled TB to continue with her training and have time with the children, and provided a regular income. But TB considered the DPB was "just to get you by with basic needs."

At the time of the first interview, TB had two sons living at home and was doing an NZQA computer and accounting course taking 20 hours a week. Her fees were paid with a TIA. Childcare was not a problem as the hours of study fitted around school. TB wanted to get a professional job in library work or in the social services. She expected to be employed full-time in the next year – *"I know where I am going and what I will be achieving. I have succeeded through my own self-motivation to where I am to date."*

At the time of the second interview, TB's older son has gone flatting, and she is in paid work and education. She did a work track programme through DWI – *"helping self-esteem, looking at work, study systems, etc. These are all about placements into the workforce."* In June 2000 TB found work on her own initiative through an advertisement in the paper. She is now working full-time with a social services provider. She received a work start grant of $250 from DWI – *" credit to them for the grant and approving my application."* TB also spends around eight hours a week studying for a national certificate in rehabilitation studies and is aiming for a BA in Health Science. Childcare is managed because her 12-year-old son attends a youth programme after school. Her older son and other family members help out if needed.

TB is pleased that she has now cleared most debt – *"I can see the light at the end of the tunnel."* Although she finds she has much less time for her family and community activities, *"our quality of life is better, more food, health care and insurance, money for education ... I enjoy my work and feel good about the future goals in employment and where it will take me."*

SOURCE: Case 8, Qualitative outcomes research, 2001

Case 5. Moving from training to training and full-time employment (Māori participant)

TP lives in Hawke's Bay with her two children, aged 2 and 12 years. Since leaving school with two School Certificate subjects, TP has had a succession of unskilled jobs including in shearing sheds, a rest home, meat works and orchard work. TP went onto the DPB in 1996. Her marriage had ended, and she had just left a job. The DPB was essential for financial stability, enabling her to care for her child and pay the mortgage. However, she found that she occasionally needed food parcels. Since 1996, TP has been able to take on seasonal work at the meat works, but went onto the DPB when the season finished.

At the time of the first interview TP was not in employment, but was doing a year-long diploma course in massage therapy. Fees were covered by a TIA and a $4,000 student loan, and TP received a childcare subsidy for her pre-school child. TP had found out about the training herself. TP intended to do a post-graduate course the following year.

One year on, TP has a full-time job at the meat works where she has been employed before. TP came off the DPB early in 2001 because she wanted to leave the benefit and earn more money. This time the job at the works is a permanent one. Hours are long – 13-hour shifts five days a week from 1pm to 2am, and one weekend shift every fortnight. DWI did not assist in finding the job. It was available to her because she had a work record with the company. TP also does a course on reflexology at a private training establishment on her "free" weekends, which she funds through a student loan.

TP has found that working has increased her expenses considerably. She is $50 a week better off than being on the benefit. Childcare costs $100 per week (she does not receive a childcare subsidy). She has bought clothing and equipment, such as knives, for work. DWI gave no assistance in starting up work.

Long working hours and study commitments mean that TP's time with her family is limited. She has to rely on a caregiver for her two-year-old son in the daytime and on her daughter at other times. Her daughter picks up her younger brother from the caregiver after school and provides care in the weekends. Both children visit their mother at her weekend course – *"I see baby every day but only really see my daughter on weekends ...it's not really good but it's what you have to do ... it's only a 10-month course."* TP has also taken on a boarder so that an adult is at home in the evenings. TP does not see her childcare arrangements as satisfactory, but considers that they are only for a short time. She sees having a job as important for providing a home and a good living standard for the children. TP has achieved her first goals of a qualification in massage, and a job. She now wants to move into a job that will use her training - *"ring me in another year to see how I'm going if you want!"*

SOURCE: Case 9, Qualitative outcomes research, 2001

Case 6. Moving from part-time employment to no employment ("Other" participant)

BC, who lives in a small provincial town, has three children, 14, 12 and 8 years old. She left school with Sixth Form Certificate and later gained diplomas in clothing design and horticulture. Before going onto the DPB in 1998, BC had a succession of full-time and part-time jobs in sales, clothing manufacture, upholstery, agriculture, gardening and cleaning. Most were casual and short-term in nature. She fitted them around child rearing. Going onto the DPB was precipitated by a marriage break-up. Prior to that her husband had had a mental illness and had been only able to work in a limited way.

BC found going onto the DPB gave her a secure income that she could control. She saw it as a measure of independence, although there was *"a lot of financial juggling"*. Feeling pressured to get back into work by DWI, BC was acting as a reliever at a local crèche at the time of the first interview, but this was very spasmodic and uncertain employment. The job was not obtained through DWI. BC commented on some problems she had had with earning over the limit for some of the time, and had found it difficult to find out from DWI what she should do. Eventually she had been told *"not to work for a while"*. Overall, BC considered paid work as a third priority behind her children's needs and her voluntary work as a parent help at her children's school. BC was also trying to develop a herb nursery and cut flower business on 24 acres of land where she lived with her children – *"I felt quite stressed. I felt that I have to be superwoman ... I feel happier with the volunteer work, much more manageable. I feel I can't give the hours to a high-powered job."*

One year on, BC has the two younger children with her. The older girl has moved in with her father. BC is still helping at school. She does not have a paid job, although she has just been offered some casual gardening work. BC is finding *"I'm constantly in overdraft. I cannot basically exist on my income."* She is now very concerned to try and make an income off her land, and had broached the subject with her Case Manager. She has received no assistance with job seeking, training had not been offered to her in the past year, and there was no help to investigate starting a business. BC feels somewhat ambivalent about contacting her Case Manager – *"I'm lying low. I get so annoyed with the interviews. They haven't required me to come in so I have just left it. They just seem to leave me alone ... I don't want to rock the boat."*

SOURCE: Case 4, Qualitative outcomes research, 2001

Case 7. Moving from benefit to casual/temporary employment and back to benefit (Māori non-PPS participant)

George is a Māori man in his late 30s caring for two daughters, aged 15 and 11 years. George went on the DPB following a relationship break-up where his ex-partner moved to Australia and he maintained care of the children. Born and bred in Hawke's Bay, George has excellent whānau support and has been able to call on that support over the last seven years that he has been a sole parent. During this time George was also made redundant and although he tried consistently to find work in his given trade, he was unable to. This has meant that he has slowly become deskilled and has had to look for work elsewhere. Going on the benefit became a matter of survival for him and his whānau.

Over the past four years, George's life for both him and his whānau has been a seesaw ride involving many ups and downs. Unable to find permanent full-time work, George has been working on casual contracts that may last up to six months, and seasonal work as a driver. George is well aware of the instability of the job market and the difficulty of finding full-time work. He has worked since leaving school when he was 16 and in the past had been able to provide for his family well. The main things that keep him motivated are his beliefs that any work is better than none at all, and the fact that being on the benefit does not allow him to *"feel like a real man or a father"*.

George is now at the mercy of his employers and does not turn down work or any offers of over-time because he lives day-to-day, week-to-week, not knowing how long his work will last, or sometimes even when his next working day will be.

"You say yes to everything because you know that next week there may be no work, and I need to make as much money as possible to get me through those times when I'm back on the benefit and got no money."

On a day-to-day basis he can go several days without seeing his children, as shift work and unstable hours can mean that while he sleeps his daughters are at school, and by the time they get home he is back at work. When George thinks about the future he can become depressed, as the instability makes it hard to either plan or financially manage ideas and goals like taking the children on a holiday. George realises that, without the support of his whānau, his life could be even harder, and the support from parents, aunties, uncles and his sister has been life-saving. Over the past two years, his sister has been living with him, providing the children with care. George knows that they are well cared for which eases his mind. His children have also been pretty amazing and some nights they try really hard to wait up for him so they can have the chance to talk to him and simply be a whānau. As well, their mother is not in Australia any more, and on days when the kids are sick and can't go to school, if he needs help she will help out by watching them.

George has also been provided with support from DWI over the past four years in that he is able to go back onto a benefit when work is no longer available. However, although this system generally works okay, problems do arise. Some weeks George can be scheduled for work which does not eventuate and he may spend those days on call but not on the benefit. His benefit will not restart until the day he rings DWI and he has been given the understanding that he is not entitled to be back-paid. This means that it could be two to five days after he has finished work before the benefit will start up, although he was under the impression through his employers that he would be working.

"The hard thing is that I am in no control. My work dictates my life and because I need to work and I know that there are no jobs out there for me, permanent ones anyway, they've got me. I'm still having to rely on the benefit too, otherwise we wouldn't survive. I loved to make my own decisions, you know, stand up, but I can't, my kids need to eat."

For George, support from DWI would have been, and would still be, appreciated, especially in learning to understand and manage the policies and requirements of DWI. As well, a service that provided after hours support would have been helpful, as George's first priorities are his children and work and if he does get called into work he will go rather than keep an appointment with DWI. George felt that on-going support and encouragement to find full-time work would also be

helpful, as well as having the opportunity to talk with other sole parents who had been through similar challenges and made it through.

SOURCE: Post-Placement Support evaluation, 2001

Case 8. Continuing part-time employment (Pacific Peoples participant)

AT, a Cook Island Māori mother with four children ranging in age from pre-school to teenage, was living in a large household that included her children, brother, sister-in-law, niece and nephew at the time of the first interview. Island-born, AT had worked on her family land when young, and then in a few unskilled jobs in New Zealand. She had little work experience and her training was limited.

AT has been on the DPB since 1983, with one period of eight months off the benefit and in unskilled employment during 1999. She came back on the DPB in early 2000, because she had been laid off her job as a kitchen hand. AT did not want to go onto the DPB but *"I have to have the money ... it's not enough for basics, I can't help out my family"*. She obtained a part-time job as a cleaner through friends that earned her extra money on top of the DPB, and relied on family members living with her to look after her younger children. AT was happy with her part-time job and did not see her life changing much until her youngest child went to school.

At the time of the second interview, AT's household has grown, with the addition of two young adopted relatives from their island home. AT continues with her part-time cleaning job. Hours have increased, which affects the amount of benefit she receives. Her overall income has increased slightly, and the shift to income-related rents has helped the family. But AT is becoming increasingly dissatisfied with her job – *"this isn't the sort of job I'd like to do for the rest of my life."* She has not found that the two short courses (machining/sewing and cleaning) she has been sent on by DWI in the last year were helpful in securing better employment. Now she says, *"I only go back to WINZ when there is a need."* She is concerned that she cannot help her extended family as much as she would like – *"I am constantly looking for any job so I can at least buy a car for my family."*

SOURCE: Case 10, Qualitative outcomes research, 2001

6.1.1.5 Summary

There is a trend towards greater participation in full-time employment by sole parents, particularly those with older children. However, the differences between those not in paid work, those in part-time work and those in full-time work should not be overstated. There is considerable fluidity in the labour force position of participants. There was not necessarily a linear pathway from DPB and WB receipt and non-labour force participation to part-time work progressing finally to full-time work.

Full-time work became worthwhile when a participant:

- could find employment which was both certain and flexible to fit in with childcare responsibilities
- could access affordable, flexible and trusted[85] childcare – often provided by family
- was able to enter higher-paid work (e.g. professional, managerial, and technical occupations).

It appears the decision to enter full-time employment was not clear-cut for many sole parents and was a matter of weighing up the benefits of earning more money against the potential negative impacts on children and families.

Refer to section 8 Outcomes for children and families.

[85] The sense of trust is as important as objective measures of quality for participants when arranging childcare. The heavy reliance on family for childcare reflects this.

6.1.2 Type of employment obtained

The description of the type of employment sole parent beneficiaries and ex-beneficiaries obtain includes the following:

- number of jobs held
- occupation
- hours worked
- tenure of the jobs obtained
- skill levels.

6.1.2.1 Number of jobs held by respondents

Of the 1,016 respondents in a survey of sole parents who left the benefit for employment, 10% were working concurrently in two or more jobs, particularly older respondents and those with the youngest child 14 years of age or over.

In the survey of sole parents who left the benefit for employment other characteristics were also found to be associated with working more than one job. These included:

- respondents with a certificate or diploma were more likely to have two jobs (11%) than those with no formal qualifications (5%)
- respondents working as service and sales workers were more likely to have three or more jobs concurrently (3%) than those working as clerks and technicians/associate professionals (0%)
- respondents living on the West Coast were more likely to have two jobs (26%) than those living in Canterbury (10%), Southland (10%), Northland (7%), Wellington (7%), and Taranaki (5%).

6.1.2.2 Employment obtained by industry and occupational type

Sole parent beneficiaries and ex-beneficiaries were more likely to be employed in the following occupations:

- **clerks** (e.g. typist/word processor operator; data entry operator; filing clerk; secretary; accounts clerk; bank officer; receptionist/information clerk; telephone switchboard operator; debt collector; and mail carriers/sorters)
- **technicians and associated professionals** (e.g. dental assistant; physiotherapist; veterinary assistant; real estate agent; travel consultant; sales representative; book-keeper; social work professional; author/painter/other artist; and decorator/designer)
- **sales and service workers** (e.g. housekeeper; waiter/bartender; hairdresser/beauty therapist; police officer; salesperson/demonstrator; fashion model; cook/kitchen hand; hospital orderly/nurse aid; caregiver; and forecourt attendant)
- **plant and machine operators** (e.g. welders; papermaking plant operators; wood products machine operators; power generating plant operators; machine tool operators; sewing machine operators; scaffolders; drainlayers; crane/earthmoving machine operators; and heavy truck/bus/taxi drivers).

The survey of sole parents who left the benefit for employment found that respondents were over-represented as clerks, technicians and associated professionals, sales and service workers and plant and machine operators. Respondents in the sample were strongly under-represented among legislators/managers (2% of the sample, compared with 12% of the population), and less so among professionals (10%, compared with 12% of the population). Respondents in the sample were also under-represented in elementary occupations,[86] 3% of respondents in the sample being involved in these occupations compared with 7% of the total working population (Table 48).

[86] These include cleaner; caretaker; courier/deliverer; hotel porter; refuse collector; packer; builder's labourer; and street cleaner.

Table 48: Current occupation of respondents and total population (%)[87]

Occupation Type[88]	*Total Sample (n=1,120) A*	*Total NZ Working Population*[89] *(n=1,630,809) B*
Clerks	22 ↑B	13
Technicians and associated professionals	22 ↑B	11
Service and sales workers	20 ↑B	14
Plant and machine operators and assemblers	10 ↑B	8
Professionals	10	12 ↑A
Trade workers	6	9 ↑A
Agriculture and fishery workers	5	9 ↑A
Elementary occupations	3	7 ↑A
Legislators, administrators and managers	2	12 ↑A
Armed forces	0	0
Not specified/not listed	0	5

Base: All jobs worked by all respondents currently in paid, taxable employment/Total New Zealand working population.
Significant differences were reported at the 95% confidence interval.
SOURCE: Survey of sole parents who left the benefit for employment, 2001

The survey of sole parents who left the benefit for employment found differences in occupations on the basis of gender. Male respondents were more likely to be working as plant/machinery operators (28%, compared with 8% of female respondents); and agricultural and fishery workers (12%, compared with 4% of female respondents). Female respondents were more likely to be working as clerks (24%, compared with 4% of male respondents); and service/sales workers (22%, compared with 7% of male respondents).

These findings were consistent with those of the qualitative outcomes research. The qualitative outcomes research distinguished between those moving into part-time and those moving into full-time work and found that:

- those who had worked full-time between May 2000 and May 2001 tended to be clustered in professional, managerial and technical occupations
- those who had moved into full-time employment after the period May 2000 to May 2001 were more likely to be clustered in the service, sales and clerical occupations
- those in part-time work tended to be clustered in service, sales and clerical work
- most of the participants had been and continued to be involved in what was traditionally deemed "women's work" – clerical and service workers with a particular concentration around the retail sector.

In a profile of New Zealand sole parents from the 1991 Census, Rochford (1993) found no difference in occupation status between sole parent mothers and partnered mothers. He explains this lack of an expected difference through the confounding relationship with education. Specifically, higher education in sole parents increases the likelihood of employment at a level that can support the parent and family (i.e. professional and technical occupations) thus, sole parents with lower education are simply not present in the occupational status statistics due to their higher levels of unemployment (Rochford, 1993). Sole fathers do, however, tend to be in lower-skilled employment than partnered fathers (Rochford, 1993). It is

[87] Note: It is not possible to provide comparative population statistics for sole parents only as Statistics New Zealand do not provide this information as a standard breakdown. A comparative analysis of the population statistics for women in the workforce would not be valid given that 12% of the survey sample are male.

[88] Refer to Appendix Three. This appendix provides further detail on examples of jobs under each occupational type.

[89] From 1996 Census of Population and Dwelling, Statistics New Zealand (includes both full- and part-time workers).

anticipated, based on education levels, that if they were employed, single mothers would have similar patterns of occupational status as sole fathers; that is, a tendency to be in low-skilled employment (Rochford, 1993).

There was some variation in occupation according to age of youngest child **(refer to Table 52 section 6.1.3.1 Age of youngest child and type of employment obtained)**. For information on Māori and occupational variation **(refer to section 6.1.3.2 Ethnicity and type of employment obtained)**. There was variation in occupation according to where the respondent resided **(refer to section 6.1.3.3 Variation in type of employment by geographic location)**.

6.1.2.3 Hours worked

Hours worked by those in full-time employment

While some sole parents working full-time worked in excess of 50 hours per week, most worked between 30 and 50 hours. The survey of sole parents who left the benefit for employment provides a comparison of the hours worked by respondents and the number of hours worked by the New Zealand working population as a whole (Table 49). While the proportion of respondents working full-time is the same as for the population as a whole, survey respondents were more likely to work between 30 and 39 hours (26%, compared with 12% of the working population), and less likely to work 50 hours a week or more (8%, compared with 22% of the working population). This finding is supported by the qualitative outcomes research, which found that most respondents who were employed full-time worked 30 to 40 hours per week.

There was some variation in hours worked according to age of youngest child **(refer to Table 52 section 6.1.3.1 Age of youngest child and type of employment obtained)**. For information on Māori and variations in hours worked **(refer to section 6.1.3.2 Ethnicity and type of employment obtained)**.

Table 49: Number of hours worked by respondents and total population (%)[90]

Hours Worked	***Total Sample (n=999) A***	***Total Number of Workers***[91] ***(n=1,630,809) B***
Between 1 and 9	1	8 ↑A
Between 10 and 19	1	8 ↑A
Between 20 and 29	12 ↑B	8
Part-time (less than 30 hours)	14	24
Between 30 and 39	28 ↑B	12
Between 40 and 49	46 ↑B	42
Between 50 and 59	7	13 ↑A
60 or more	5	9 ↑A
Full-time (30 hours or more)	86	76

Base: All respondents currently working in taxable paid employment/Total New Zealand working population.
Significant differences were reported at the 95% confidence interval.
SOURCE: Survey of sole parents who left the benefit for employment, 2001

[90] Note: It is not possible to provide comparative population statistics for sole parents only as Statistics New Zealand do not provide this information as a standard breakdown. A comparative analysis of the population statistics for women in the workforce would not be valid given that 12% of the survey sample are male.
[91] From 1996 Census of Population and Dwelling, Statistics New Zealand (includes both full and part-time workers).

Hours worked by those in part-time employment

The hours worked by those employed part-time appear to be more variable than those in full-time work. The qualitative outcomes research found that the hours worked by sole parents in part-time work varied between 2 and 30 hours with the majority working between 8 hours and 15 hours weekly.

In the survey of sole parents who left the benefit for employment, respondents who were working part-time were likely to be working between 20 and 30 hours per week. Few sole parents would be able to work less than 20 hours per week and cover their costs without receiving the benefit. There were no significant differences in the distribution of survey respondents working part-time and full-time by ethnicity

Timing of employment

The survey of sole parents who left the benefit for employment found that most respondents worked during the day. The survey found that:

- just under three-quarters of jobs held by respondents (73%) involve most of their hours being worked during the day
- 14% of jobs were described by respondents as shift work - that is, the times of work vary each week according to a roster
- 9% of jobs were worked predominantly between 6pm and 6am (Table 56).

Research undertaken by Callister and Dixon (2001) indicated that very few New Zealanders worked solely during evenings or nights (on weekdays, only 1% of working days conformed to this type of employment). They found three-quarters of all working time fell into the core period defined as 8am to 6pm, Monday to Friday. However, far more than 25% of workers undertook some work outside the core period in a typical week. More than 40% of the diary days completed by employed people on the weekend contained some paid work, implying a high level of involvement in weekend work. Focusing now on weekdays, the Time Use Survey data suggested that more than 60% of working days from Monday to Friday involved *some* work outside the core period. Most of that was done on the boundaries of the core: if the window of "daylight hours" is extended to cover 6am till 7pm, the majority (71%) of working days are accounted for. The remaining 29% mostly involved a combination of work during daylight hours and work after 7pm.

The survey of sole parents who left the benefit for employment found there were no significant differences in the timing of work currently undertaken by gender, length of time receiving financial support, and length of time in the workforce.

There was some variation in timing of work undertaken according to age of youngest child **(refer to Table 52 section 6.1.3.1 Age of youngest child and type of employment obtained)**. For information on Māori and variations of work undertaken **(refer to section 6.1.3.2 Ethnicity and type of employment obtained)**.

Patterns emerging regarding who works non-standard hours

The survey of sole parents who left the benefit for employment found that around a quarter were working non-standard hours (e.g. shift work, evening or night work, working on-call). There were some patterns that emerged regarding who is more likely to be working non-standard hours. The survey of sole parents who left the benefit for employment found that:

- Pacific Peoples were more likely to be involved in evening work (18%) than Other respondents (7%) (Table 56)

- those with no qualifications were more likely to work during the evening (14%) than those with school qualifications (8%), a certificate or diploma (7%), or a university qualification (4%)
- those working part-time were more likely to work during the evening (12%) or be involved in "on call" work (8%) than respondents working full-time (5% and 1% respectively)[92]
- respondents working as trade workers (19%), plant/machinery operators (13%), and service/sales workers (10%) were more likely to work predominantly during the evening than those employed as clerks (5%) and professionals (4%)
- respondents employed as plant/machinery operators (22%), service/sales workers (22%), and professionals (21%) were more likely to be involved in shift work than respondents working as clerks (5%), trade workers (3%) and agricultural workers (no respondents)
- those with three or more dependent children were more likely than those with fewer children to work in the evening.

Factors affecting hours worked

There was a range of factors that appear to affect hours worked by sole parents. These included the type of work that sole parents were able to access, pay rates, childcare commitments, access to childcare, and travel time to and from work.

The type of work that sole parents were able to access

The more casualised the work is, the more the hours will fluctuate. For example, a number of participants in the qualitative outcomes research made a daily telephone call to employers to see if work was available for them that day. The Post-Placement Support evaluation found that in some cases people had taken on jobs that they thought were full-time and permanent only to find their hours were reduced or the work was not continuous.

The qualitative outcomes research reported that seasonal work tended to involve long hours or shift work that was driven by the demands of harvesting or agricultural production. As an example of the dynamics associated with seasonal work refer to Case 7 Moving from benefit to casual/temporary employment and back to benefit (Māori non PPS participant) page 113.

The timing of work available can have an impact on the ability of sole parents to work more hours. The qualitative outcomes research, for example, found that taking on more hours outside normal hours creates childcare difficulties: *"I've fitted my work around school hours although it forced me into jobs where I could do that. I never looked at a nursing job in the hospital with shift work. It would have been more lucrative, but I just couldn't do it with the childcare. I would like to get back into more hands-on nursing but wouldn't look at that until my daughter is independent."* (Other WB 14+ yrs, Qualitative Outcomes Study, 2001)

Pay rates

The qualitative outcomes research found that where the pay rates were low sole parents often needed to work longer hours to off-set the costs of working: *"[I] worked for a mother [as housekeeper] who could only afford to pay $120 a week. [I] often worked up to 30 hours for that – only advantage was the chance to get out of the house. Won't consider low-paid jobs."* (Other Widow 7-13 yrs, Qualitative Outcomes Study, 2001)

"[Paid work] was not realistic for me. Always tried to better myself by looking for part-time work, different from those suggested by WINZ. Often the jobs they help you to find are under-paid, it is better off staying on the DPB." (Pacific DPB 14+yrs, Qualitative Outcomes Study, 2001)

Respondents in the qualitative outcomes research who had moved into part-time work tended to have lower average hourly rates of pay than those who moved into full-time work. The survey of those who

[92] Survey respondents were those who had *left* the benefit for reasons of work. As many part-time jobs have insufficient hours/rates of pay for sole parents to live on without the benefit, the part-time workers in the survey will not be representative.

left the benefit for employment also found that respondents working part-time were more likely to be earning "low" incomes (79%, compared with 22% of those working full-time).

Childcare commitments

The qualitative outcomes research found that when childcare commitments were high sole parents often wanted to work fewer hours. For those employed part-time there was often considerable tension over hours, either because of employers wanting more hours from workers or a desire among the participants to extend their hours but feeling inhibited by their circumstances: *"I'd like to work more hours, but it's really difficult to get kids organised and out of the house by 8.30. I'd prefer to work 9-3 five days a week – then I wouldn't need to have the kids in care for three days a week. But the Boss wants me to work the hours I do. They want someone there until 5 o'clock. Eventually I'll work five days a week."* (Other Employed 0-5 yrs, Qualitative Outcomes Study, 2001)

"Don't mind working longer hours as long as I don't work weekends. Need to be with the girls for sport and family time. I want to spend more time with the girls." (Other Employed 7-13 yrs, Qualitative Outcomes Study, 2001)

Access to childcare

The evaluation reports consistently reported that the high cost of formal childcare meant that sole parents relied heavily on informal care (e.g. friends and family). However, the qualitative outcomes research noted there was a limit as to how much and how often friends and family could be asked to look after children. This was less of a problem for Māori and Pacific Peoples who often had strong family support networks (refer to 05.4.3.1 Ease of entry into employment for Māori).

Travel time to and from work

The qualitative outcomes research found that the hours worked by respondents was in some cases constrained by the time required for travelling to and from work: *"I can't do any more. I've got added stress because of meeting time frames for work starting early. I have to travel to get childcare arrangements. I travel 60 kilometres plus each day I work. I spend an hour a day travelling. I get support and help from my Mum but I can't do anymore. I've given up my other activities"* (Māori Employed 0-5 yrs, Qualitative Outcomes Study, 2001)

Travel times and managing the transport timetable to allow them to meet their work and family commitments were a particular problem for respondents reliant on public transport. Where the travel times became excessive some sole parents were required to decline employment or in some cases quit. For example, one respondent was working from 5pm to 10pm five nights a week. Pressure to extend those hours until midnight made her leave the job, particularly because of the travel time involved.

6.1.2.4 Tenure of jobs obtained

Permanent jobs - how many and who gets them?

The survey of sole parents who left the benefit for employment found that most (78%) had obtained permanent jobs (Table 50). Permanent jobs were defined as full- or part-time with no fixed date when the job will finish.

Table 50: Tenure of work currently undertaken (%)

Tenure of Work Currently Undertaken	*Total Sample (%) (n=1120)*
Permanent	78
Short-term contract of fixed length	9
Casual "on call" employment	6
Short-term contract of uncertain length	4
Seasonal	3
Out-work on pieces	0

Base: All jobs worked by respondents currently in paid, taxable employment – that is, those respondents with multiple jobs have been included multiple times in the table. The focus in this table is on jobs rather than respondents.
Significant differences were reported at the 95% confidence interval.
SOURCE: Survey of sole parents who left the benefit for employment, 2001

The survey of sole parents who left the benefit for employment found evidence to suggest that respondents who had undertaken more than one paid job since leaving the DPB for the last time experienced an improvement in tenure of their employment as they moved to subsequent jobs. Table 51 indicates evidence of a significant increase in the proportion of current jobs classified as permanent (78%) compared with previous occupations (51%). The proportion of current positions that were casual "on call" employment declines notably from the previous job. Overall, 45% of current jobs show evidence of a move towards greater certainty of tenure, only 9% showing a move to less certainty.

Table 51: Comparison of previous and current tenure of work (%)

	Previous Work (n=271) A	*Current Work (n=1120) B*
Permanent	51	78 ↑A
Casual "on call" employment	22 ↑B	6
Short-term contract of uncertain length	12 ↑B	4
Short-term contract of fixed length	9	9
Seasonal	5	3
Out-work on pieces	0	0
Can't remember	1	0

Base: All jobs worked by respondents previously/currently in paid, taxable employment – that is, those respondents with multiple jobs have been included multiple times in the table. The focus in this table is on jobs rather than respondents.
Significant differences were reported at the 95% confidence interval.
SOURCE: Survey of sole parents who left the benefit for employment, 2001

An analysis of the findings from the survey of sole parents who left the benefit for employment revealed that being currently in a permanent position appeared to be associated with one or more of the following:

- **having a youngest child aged between 0 and 13 years**: Results by the age of the youngest child show that respondents with the youngest child under six (81%) or aged between 6 and 13 years (77%) were more likely to be employed in permanent positions than respondents whose youngest child was aged 14 years or over (71%). Refer to section 06.1.2.4 Tenure of jobs obtained
- **being Other:** (e.g. non-Māori, excluding Pacific Peoples): Respondents by ethnicity show that Other respondents were more likely to have permanent employment (80% of jobs) than Māori respondents (71% of jobs held). Refer to section 06.1.2.4 Tenure of jobs obtained
- **having been on the benefit a shorter period of time**: Those who had been on a benefit for less than two years were more likely to be employed in a permanent position (82%) than those in receipt of a benefit for between 10 and 19 years (74%)

- **living in Auckland Central, Auckland North and the Waikato**: Respondents living in Auckland Central (94%), Auckland North (88%) and the Waikato (87%) were more likely to have permanent positions than those living in Canterbury (74%), Central (73%), Southland (72%) and on the East Coast (70%). Refer to section 06.1.2.4 Tenure of jobs obtained
- **working as clerks and service workers**: Respondents working as clerks and service workers were more likely to be permanent positions (87%) than professionals (78%), technicians/associate professionals and trade workers (75%), and plant/machinery operators (69%)
- **being younger**: Respondents under 30 years of age were more likely to be in permanent employment (61%) than those aged between 40 and 49 years (51%).

Casual and temporary jobs - how many and who gets them?

The survey of sole parents who left the benefit for employment found under a quarter of respondents were currently working in casual or temporary jobs. Nine percent of respondents were employed on short-term contracts of fixed length, 6% in casual "on call" employment, 4% in short-term contracts of uncertain length and 3% in seasonal work (Table 50).

The qualitative outcomes research revealed there was a predominance of casual, temporary work in both urban and rural areas. Generally casual and temporary jobs were not available within school hours, but were associated with occupations such as bar and restaurant work, call centre work, commercial cleaning, and hospital and care work that is undertaken outside of standard working hours.

The qualitative outcomes research added that those respondents who had entered or remained in low-paid, unskilled, casual or temporary jobs over the last year had often had similar occupations prior to going onto the DPB and WB. It was common for them to go from one casual job to another.

Casual "on call" employment

The survey of sole parents who left the benefit for employment found that respondents working part-time were more likely to be employed in casual "on call" positions (13%) than those working full-time (5%). However, the qualitative outcomes research found that although some of the participants in full-time work were in long-term, stable positions, participants in full-time work were also in casualised or temporary seasonal employment. It was not atypical for participants in full-time work to report that their work hours varied from week to week: *"I sort of do full-time work but really it varies from week to week. My work is split over two jobs. I do two part-time cleaning jobs, one in a motel and one at a school. I got the motel cleaning first. The motel rings me up the night before to say 'yes' or 'no'. It can be a bit of a pain never knowing. But the school cleaning is consistent and I get a salary so it's not like it used to be – no work at holidays."* (Other Employed 7-13 yrs, Qualitative Outcomes Study, 2001*)*

"I do 13 hours of work a week on the DPB - 9.15am to 12.30pm, four days a week. I don't get work in the holidays – no holiday pay. I also do casual work cleaning and gardening. If the money isn't regular that really makes it difficult. I've lost accommodation assistance. It would be good to get a regular job." (Other DPB 7-13 yrs, Qualitative Outcomes Study, 2001)

Those aged between 40 and 49 years were more likely to have been working in casual "on call" employment (39%) than respondents under 40 years of age (19%). This pattern was also evident when looking at work previously undertaken. Those aged between 30 and 49 were more likely to been working "on call" (9%) than respondents under 30 years of age (no respondents).

For further information refer to section 6.1.3.3 Variation in type of employment by geographic location.

Short-term work of uncertain length

The findings of the qualitative outcomes research revealed that where the longevity of a position was uncertain, it was particularly characteristic of work with community groups, schools, and community-

based health services. Such organisations typically had uncertain funding or were contracted by government agencies to deliver services on an annual basis.

The survey of sole parents who left the benefit for employment found the following were more likely to be involved in shorter-term work of uncertain length:

- those with the youngest child 14 and over were most likely to be employed in positions with a short-term contract of an uncertain length (7%). **Refer to Table 54 in section 6.1.3.1 Age of youngest child and type of employment obtained.**
- both Māori (5%) and Pacific Peoples (6%) were more likely to be employed on short-term contracts of an uncertain length than Other respondents (3%). **Refer to Table 57 in section 6.1.3.2 Ethnicity and type of employment obtained.**
- respondents with no formal qualifications were more likely to be employed in positions on a short-term contract of an uncertain length (8%, compared with 3% of those with university qualifications and 2% of respondents with school qualifications or a certificate or diploma)
- respondents working as plant/machinery operators were more likely to have a short-term contract of an uncertain length (11%, compared with 2% of clerks and service workers, and 1% of technicians/associate professionals).

Shorter-term work of fixed length

The survey of sole parents who left the benefit for employment found the following were more likely to be involved in shorter-term contracts of fixed length:

- respondents who had been in the workforce for between five and nine years (12%) compared to those who had been in the workforce for between 15 and 24 years
- technicians/associate professionals (19%) and professionals (13%) compared to those working as service workers (4%) or trade workers (2%)
- respondents in receipt of a benefit for between 10 and 19 years (11%) compared to those who had been receiving a benefit for less than two years (5%).

Respondents with no formal qualifications were less likely to be on a short-term contract of fixed length (5%) than all other respondents (10%).

Seasonal work

The survey of sole parents who left the benefit for employment found that only 3% of jobs undertaken were classified as seasonal. The qualitative outcomes research revealed that seasonal jobs often involved long hours or shift work as they were driven by the demands of harvesting or agricultural production.

The survey of sole parents who left the benefit for employment also found that respondents working as plant/machinery operators were more likely to be in seasonal work (9%, compared with 2% of technicians/associate professionals, 1% of clerks, and no service workers or professionals).

Respondents in the survey of sole parents who left the benefit for employment with no formal qualifications were more likely to be employed in seasonal work (7%, compared with 3% of those with a certificate or diploma, 1% of those with school qualifications, and no respondents with university qualifications).

For information on seasonal work by ethnicity and location **refer to sections 6.1.3.2 Ethnicity and type of employment obtained and 6.1.3.3 Variation in type of employment by geographic location respectively.**

6.1.3 Variation in type of employment according to age of youngest child, ethnicity and location

6.1.3.1 Age of youngest child and type of employment obtained

The type of employment obtained varied according to the age of the respondent's youngest child. There was variation in:

- occupation
- timing of work undertaken
- tenure.

There were no significant differences in the number of hours worked by the age of the youngest child in the survey of sole parents who left the benefit for employment.

Occupation and age of youngest child

The survey of sole parents who left the benefit for employment found that those with their youngest child aged under six years of age were significantly more likely to be employed as clerks (27%) than those with the youngest child aged between 6 and 13 years (19%) or over 14 years (16%). Table 52 indicates that respondents with their youngest child aged between 6 and 13 years were significantly more likely to work as a technician or associate professional (25%) than those with the youngest child over 14 (20%) or under six years of age (19%). Those with their youngest child aged over 14 years of age were more likely to be employed as a service or sales worker (26%) or in elementary occupations (8%) than respondents with the youngest child aged under six (20% and 2%) or aged between 6 and 13 years of age (19% and 3%).

Table 52: Current occupation (%)(by age of youngest child)

	Total Sample (n=1,120)	*Child < 6 Years (n=374) A*	*Child 7 - 13 Years (n=520) B*	*Child 14 Years + (n=226) C*
Clerks	22	27 ↑BC	19	16
Technicians and associate professionals	22	19	25 ↑A	20
Service and sales workers	20	20	19	26 ↑AB
Plant and machine operators and assemblers	10	9	10	11
Professionals	10	10	11	8
Trade workers	6	6	6	5
Agriculture and fishery workers	5	5	5	4
Elementary occupations	3	2	3	8 ↑AB
Legislators, administrators and managers	2	2	2	1
Armed forces	0	0	0	1
Not specified/not listed	0	0	0	0

Base: All jobs worked by respondents currently in paid, taxable employment – that is, those respondents with multiple jobs have been included multiple times in the table. The focus in this table is on jobs rather than respondents

Significant differences were reported at the 95% confidence interval.

SOURCE: Survey of sole parents who left the benefit for employment, 2001

Timing of work undertaken

The survey of sole parents who left the benefit for employment found those with the youngest child aged 6 to 13 years were significantly more likely to work during the day (75%) than respondents with the youngest child aged 14 years or over (67%) (Table 53).

Table 53: Timing of work currently undertaken (%) - (by age of youngest child)

	Total Sample (n=1,120)	*Child<6 Years (n=374) A*	*Child 7 - 13 Years (n=520) B*	*Child 14 Years + (n=226) C*
During the day (6am-6pm)	73	73	75 ↑C	67
On shifts	14	14	13	18
During the evening or night (6pm-6am)	9	9	8	11
On call	4	4	4	4
Other	0	0	0	0

Base: All jobs worked by respondents currently in paid, taxable employment – that is, those respondents with multiple jobs have been included multiple times in the table. The focus in this table is on jobs rather than respondents.
Significant differences were reported at the 95% confidence interval.
SOURCE: Survey of sole parents who left the benefit for employment, 2001

Tenure of employment by age of youngest child

The survey of sole parents who left the benefit for employment showed that respondents with the youngest child under six (81%) or aged between 6 and 13 years (77%) were more likely to be employed in permanent positions than respondents whose youngest child was aged 14 years or over (71%). By contrast, those with the youngest child 14 and over were more likely to be employed in positions with a short-term contract of an uncertain length (7%) than respondents with younger children (2% of those with children aged under six, and 4% of respondents with the youngest child aged between 6 and 13 years of age) (Table 54). These results could suggest that the requirement for DPB recipients with a youngest child 14 years or over to seek full-time work could have resulted in some taking less permanent work, at least initially, as a means of fulfilling the policy requirements.

Table 54: Tenure of work currently undertaken (%) - (by age of youngest child)

	Total Sample (n=1,120)	*Child < 6 Years (n=374) A*	*Child 7-13 Years (n=520) B*	*Child 14 Years + (n=226) C*
Permanent	78	81 ↑C	77 ↑C	71
Short-term contract of fixed length	9	8	10	9
Casual "on call" employment	6	7	6	7
Short-term contract of uncertain length	4	2	4	7 ↑A
Seasonal	3	2	4	4
Out-work on pieces	0	0	0	0

Base: All jobs worked by respondents currently in paid, taxable employment – that is, those respondents with multiple jobs have been included multiple times in the table. The focus in this table is on jobs rather than respondents.
Significant differences were reported at the 95% confidence interval.
SOURCE: Survey of sole parents who left the benefit for employment, 2001

6.1.3.2 Ethnicity and type of employment obtained

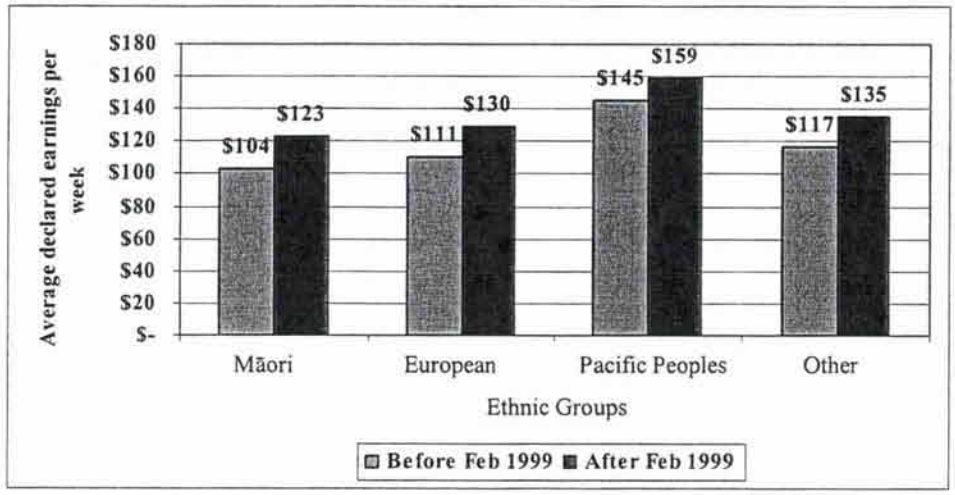
The type of employment obtained varied according to ethnicity. There was variation in:

- full-time and part-time status
- occupation
- hours worked
- timing of work undertaken
- tenure.

Full-time and part-time status

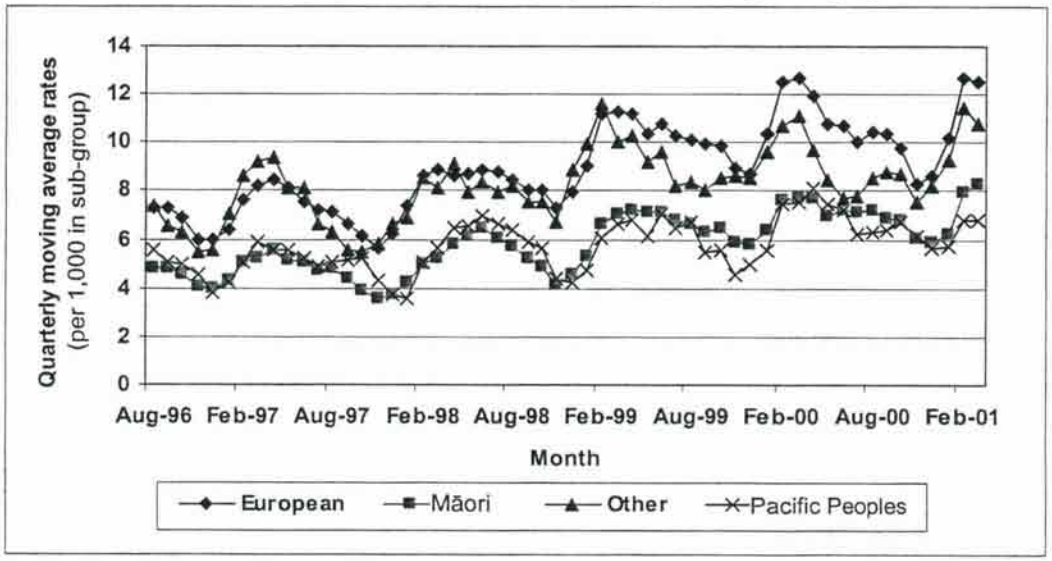
For both exits into employment[93] and declared earnings[94] Māori and Pacific DPB recipients had consistently lower rates than Pākehā and Other. However, over time all four groups experienced very similar relative increases in earnings (Figure 7) and employment exits (Figure 8) over the period.[95]

Figure 7: Comparative average weekly declared earnings



SOURCE: DWI administrative data, 2001

Figure 8: DPB Exits for employment by ethnicity – quarterly moving average (per 1,000 in sub-group)



SOURCE: DWI administrative data, 2001

[93] This can be used as a proxy for full-time employment.

[94] This can be used as a proxy for part-time employment.

[95] All ethnic groups also had the same seasonal trend of decreased employment exits from November to January, and increased exit rates in February to March.

Occupation

The survey of sole parents who left the benefit for employment found that Māori respondents were significantly more likely to be employed as plant and machinery operators and assemblers (15%) than Other respondents (8%), while Other respondents were more likely to be working as trade workers (7%) than Māori respondents (3%).

Hours worked

The survey of sole parents who left the benefit for employment found that:

- Pacific Peoples were more likely to be working between 40 and 49 hours per week (59%) than Other respondents (44%)
- Other respondents were more likely to be working between 20 and 29 hours a week (13%) than Pacific Peoples (6%)
- Māori were not likely to significantly to work more or fewer hours than any other group.

However, there were no significant differences in the distribution of respondents working part-time and full-time by ethnicity (Table 55).

As Table 56 indicates, Other respondents were significantly more likely to be involved in jobs worked during the day (75%) than Māori respondents (68%). Pacific Peoples were over-represented among those working predominantly during the evening or into the night (18%, compared with 7% of Other respondents).

Table 55: Number of hours worked per week by respondents (%)[96] – (by ethnicity)

	Total Sample (n=999)	*Māori (n=263) A*	*Pacific Peoples (n=106) B*	*Other (n=630) C*
Between 1 and 9	1	3	0	0
Between 10 and 19	1	0	2	2
Between 20 and 29	12	12	6	13 ↑B
Part-time (less than 30 hours)	14	15	8	15
Between 30 and 39	28	25	26	30
Between 40 and 49	46	48	59 ↑C	44
Between 50 and 59	7	6	6	7
60 or more	5	6	1	4
Full-time (30 hours or more)	86	85	92	85

Base: All respondents currently working in taxable paid employment.
Significant differences were reported at the 95% confidence interval.
SOURCE: Survey of sole parents who left the benefit for employment, 2001

[96] Where respondents stated that the hours they worked in a typical week vary too much to say, the number of hours they worked in the two weeks prior to the interview was collected and, for the purpose of this analysis, was divided by two to give a proxy result for "typical numbers of hours worked each week".

Table 56: Timing of work currently undertaken (%) - (by ethnicity)

	Total Sample (n=1,120)	*Māori (n=292) A*	*Pacific Peoples (n=120) B*	*Other (n=708) C*
During the day (6am to 6pm)	73	68	69	75 ↑A
On shifts	14	18	11	13
During the evening or night (6pm to 6am)	9	10	18 ↑C	7
On call	4	4	2	4
Other	0	0	0	0

Base: All jobs worked by respondents currently in paid, taxable employment – that is, those respondents with multiple jobs have been included multiple times in the table. The focus in this table is on jobs rather than respondents.
Significant differences were reported at the 95% confidence interval.
SOURCE: Survey of sole parents who left the benefit for employment, 2001

Tenure of the jobs obtained

The survey of sole parents who left the benefit for employment found that respondents by ethnicity showed that Other respondents were more likely to have permanent employment (80% of jobs) than Māori respondents (71% of jobs held). Māori were more likely to be working in jobs with a short-term contract of a fixed length (13%) than Other respondents (8%) were. Māori (5%) were more likely to be employed on short-term contracts of an uncertain length than Other respondents (3%) were.

Table 57: Tenure of work currently undertaken (%) - (by ethnicity)

	Total Sample (n=1,120)	*Māori (n=292) A*	*Pacific Peoples (n=120) B*	*Other (n=708) C*
Permanent	78	71	82	80 ↑A
Short-term contract of fixed length	9	13 ↑C	7	8
Casual "on call" employment	6	8	6	6
Short-term contract of uncertain length	4	5 ↑C	6 ↑C	3
Seasonal	3	3	0	3
Out-work on pieces	0	0	0	0

Base: All jobs worked by respondents currently in paid, taxable employment – that is, those respondents with multiple jobs have been included multiple times in the table. The focus in this table is on jobs rather than respondents.
Significant differences were reported at the 95% confidence interval.
SOURCE: Survey of sole parents who left the benefit for employment, 2001

The survey of sole parents who left the benefit for employment also found that there was no significant variation by ethnicity in terms of current seasonal jobs held by respondents. However, in terms of previous jobs held by respondents, Māori respondents were more likely to have been in seasonal work (13%) than Other respondents (2%). This may in part be a factor of where Māori DPB recipients were located. As stated earlier **(refer to section 3.1.2.4 Location of DPB recipients)** the greatest concentrations of Māori DPB recipients were found in the Bay of Plenty, the East Coast and Auckland South. The Bay of Plenty and the East Coast are characterised by a heavy reliance on agriculture, horticulture, primary processing and forestry - all of which commonly employ seasonal labour.

The Post-Placement Support evaluation noted that some sole parents, particularly Māori and Pacific Peoples, were more accepting of seasonal fluctuations in jobs. Rather than trying to find a permanent, full-time job, they had established a pattern of undertaking full-time seasonal work while it was available and

returning to the benefit (either in part or in full) in the off-season until further seasonal work was made available to them.

For some respondents in the survey of sole parents who left the benefit for employment, particularly Māori and those with older children, the future prospects of the job were cited as drawbacks of their current situation. In particular, the relative uncertainty of the labour/job market, insufficient hours available, and few prospects for development or promotion were raised.

Pacific Peoples (6%) were more likely to be employed on short-term contracts of an uncertain length than were Other respondents (3%) in the survey of sole parents who left the benefit for employment.

6.1.3.3 Variation in type of employment by geographic location

The type of employment obtained varied according to the location where the respondent resided. There was variation in:

- occupation
- timing of work undertaken
- tenure.

Occupation by location

The survey of sole parents who left the benefit for employment found respondents in Northland (9%), East Coast (9%), Canterbury (9%), Waikato (8%), West Coast (7%) and Taranaki (6%) were more likely to be employed as agricultural workers than respondents living in Auckland North (2%), Auckland South (1%) and Auckland Central (0%). This is not unusual given that agriculture and horticulture are major industries in Northland, East Coast, Canterbury, Waikato, West Coast and Taranaki.

By contrast, respondents living in Auckland Central (33%), Auckland North (32%), Auckland South (31%) and Wellington (30%) were more likely to be working as clerks than respondents in the Bay of Plenty (18%), East Coast (18%), Central (16%), Canterbury (13%) and Southland (12%).

Respondents living in Auckland North were less likely to be working as plant/machinery operators (2%) than all other respondents, particularly those living on the East Coast (17%). Respondents living in Taranaki were less likely to be working as professionals (3%) than those in Auckland Central (23%), Northland (20%), East Coast (14%) and Central (12%). Respondents working in Auckland Central were less likely to be working as service and sales workers (7%) than respondents in all other regions, especially the West Coast (27%).

Timing of work undertaken by location

Respondents living in Northland were more likely to be in jobs involving shift work (36%) than those living in Auckland South (11%) and Bay of Plenty (10%). By contrast, respondents living in Northland were less likely to work predominantly during the day (51%) than all other respondents, predominantly those in Taranaki and Auckland South (79%).

Tenure by location

Respondents living in Auckland Central (94%), Auckland North (88%) and Waikato (87%) were more likely to have permanent positions than those living in Canterbury (74%), Central (73%), Southland (72%) and on the East Coast (70%).

The survey of sole parents who left the benefit for employment found that respondents living in Central were more likely to be employed in a casual, "on-call" position (12%) than almost all other respondents, most particularly those living in Auckland North, Auckland Central, Waikato and Wellington (1%). They also found that respondents working as agricultural workers were more likely to be in casual "on call" employment (10%, compared with 2% of clerks, and no trade workers).

The qualitative outcomes research reported that in rural areas the employment available was strongly seasonal. This was supported by the survey of sole parents who left the benefit for employment. It found that respondents living in Southland (9%), in Central and on the East Coast (6%) were more likely to have seasonal work than those living in Auckland South (1%), Auckland Central and Auckland North (no respondents).

6.1.4 Summary: type of employment

In describing the type of employment obtained by sole parents the following aspects were examined: number of jobs sole parents held, occupation of the job obtained, hours worked, time of day work was undertaken and the tenure of employment obtained. There was considerable variation in the types of employment obtained by sole parents according to age of youngest child and ethnicity. However it does appear that those sole parents with a youngest child aged over 14 years, along with Māori and Pacific sole parents, were more likely to obtain employment that was characterised by less certainty of tenure and non-standard hours:

- **number of jobs:** Most sole parents who left the benefit for employment had one job. Only 10% of respondents in the survey of sole parents who left the benefit for employment were working concurrently in two or more jobs, particularly older respondents and those with a youngest child aged 14+ years
- **occupation:** The survey of sole parents who left the benefit for employment found that, compared with the total working population, sole parents were most likely to find employment in the following occupations: clerks, technicians/ associate professionals, service and sales workers, and plant and machine operators and assemblers. Sole parents were strongly under-represented among legislators/managers and less so among professionals and those in elementary occupations[97]
- **tenure of employment:** Most (78%) respondents in the survey of sole parents who left the benefit for employment obtained permanent employment. Being in permanent employment was associated with having a youngest child under 14 years, being Pākehā/Other,[98] being under 30 years old, and having been on the benefit for a short period of time. Respondents living in Auckland Central (94%), Auckland North (88%) and Waikato (87%) were more likely to have permanent positions than those living in Canterbury (74%), Central (73%), Southland (72%) and on the East Coast (70%). This may be due to the nature of the work available and the types of skills sole parents have

  Just under a quarter of survey respondents were in casual or temporary employment. Those with the youngest child aged 14+ years were more likely to be employed on short-term contracts of an uncertain length (7%) compared with respondents whose children were aged under six years (2%) and 7-13 years (4%). This raises concerns about the employment decisions being made by sole parents with older children and the degree to which the full-time work test is impacting on these decisions. Further consideration of this issue is discussed in section 4.

  Māori and Pacific Peoples were more likely than Other respondents in the survey to be employed on short-term contracts of an uncertain length. Māori survey respondents were more likely to be employed on short-term contracts of a fixed length than Other respondents. There was no significant variation by ethnicity in terms of current seasonal jobs held by respondents. However, in terms of previous jobs held by respondents, Māori respondents were more likely to have been in seasonal work (13%) than Other respondents (2%). The PPS evaluation also pointed towards a higher involvement by Māori in seasonal employment
- **time of day work was undertaken:** The survey of sole parents who left the benefit for employment found that most respondents worked during the day (73%). Other respondents were more likely to work during the day (75%) than Māori respondents (68%) were. Approximately a quarter of respondents were working non-standard hours (e.g. shift work, evening or night work, working on call). The survey revealed some patterns with regard to who is more likely to be working non-standard hours. Those working in the evening or into the night were more likely to be:

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[97] These include: cleaner; caretaker; courier/deliverer; hotel porter; refuse collector; packer; builder's labourer; and street cleaner. Refer to Appendix Three for further detail on examples of jobs under other occupational classifications.

[98] Other respondents were more likely to have permanent employment (80% of jobs) than Māori respondents (71% of jobs held).

- Pacific Peoples (18%, compared with Other (7%) and Māori (10%)[99] respondents)
- those with three or more dependent children
- those with no qualifications (14%), compared to those with school qualifications (8%), a certificate or diploma (7%), or a university qualification (4%)
- working part-time[100] (12%), compared to respondents working full-time (5%)
- working as trade workers (19%), plant/machinery operators (13%), and service/sales workers (10%), compared with those employed as clerks (5%) and professionals (4%)

The survey revealed that those employed as plant/machinery operators (22%), service/sales workers (22%), professionals (21%) were more likely to be involved in shift work than respondents working as clerks (5%), trade workers (3%) and agricultural workers (no respondents).

Survey respondents employed in a casual, "on call" position were more likely to be working part-time (8%) than respondents working full-time (1%). "On call" employees were also more likely to be living in Central (12%) than almost all other respondents, most particularly those living in Auckland North, Auckland Central, Waikato and Wellington (1%)

- **hours worked by sole parents in employment:** Most sole parents who left the benefit for employment worked between 30 and 50 hours but some worked in excess of 50 hours per week. More than four in five survey respondents (86%) are in paid employment for 30 hours a week or more – that is, are defined as full-time. The hours worked by respondents in part-time employment in the Qualitative Outcomes Study varied but the majority worked between 8 hours and 15 hours weekly. In the survey of sole parents who left the benefit for employment, respondents who were working part-time were likely to be working between 20 and 30 hours per week. There were no significant differences in the distribution of survey respondents working part-time and full-time by ethnicity.

  There were no significant differences in the number of hours worked by the age of the youngest child in the survey of sole parents who left the benefit for employment. Pacific Peoples were more likely to be working between 40 and 49 hours per week (59%) than Other respondents (44%).

  There were a number of key factors affecting the hours worked by sole parents. These included the following:

  - highly casualised employment was associated with uncertain hours
  - where the work was outside normal hours it was particularly difficult for sole parents to extend the hours because of difficulties arranging childcare
  - sole parents employed on low pay rates were required to work longer hours to offset the costs of working
  - childcare commitments and difficulties accessing childcare (both formal and informal) limited the extent to which sole parents were able to extend their hours
  - where travel times to and from work were considerable, sole parents faced difficulties extending hours, especially if combined with any of the above factors.

6.2 *Earnings obtained by sole parents*

6.2.1 Earnings of those who left the benefit for employment

The income levels were examined in the survey of sole parents who left the benefit for employment. Half of all respondents currently in employment (51%) received an average weekly income of between $301 and $500[101] after tax and after repayments to DWI of student loans and advances (Table 58). Twenty-two

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[99] Pacific Peoples were significantly more likely than Other respondents to work during the evening. While they were also more likely to work during the evening than Māori, this relationship was not significant.

[100] Survey respondents were those who had *left* the benefit for reasons of work. As many part-time jobs have insufficient hours/rates of pay for sole parents to live on without the benefit, the part-time workers in the survey will not be representative.

[101] Note: Where respondents gave an hourly income rate, this rate was multiplied by the number of hours worked in a typical week. Where respondents gave a fortnightly income, this amount was divided by two. Where respondents gave a monthly

percent had an average weekly income of between $201 and $300 after tax and DWI repayments. Fourteen percent of respondents had a weekly income of more than $500 after-tax and DWI repayments. The median income was between $301 and $500 per week.

Table 58: Average weekly income after tax and DWI repayments (%)

	Total Sample (n=999)
Less than $50	1
Between $50 and $100	1
Between $101 and $200	6
Between $201 and $300	22
Between $301 and $500	51
Between $501 and $700	12
Between $701 and $1,000	2
More than $1,000	0
Don't know/Refused	5

Base: All respondents currently in paid, taxable employment
Significant differences were reported at the 95% confidence interval
SOURCE: Survey of sole parents who left the benefit for employment, 2001

There was some variation in income according to the age of the youngest child. Refer to section 06.2.6.1 Variation in earnings according to age of youngest child. There were no significant differences in income earned by ethnicity of the respondent, the median weekly income after tax and DWI repayments for all three groups being between $301 and $500. Refer to section 06.2.6.2 Variation in earnings according to ethnicity for further information.

6.2.1.1 Earnings of those who have left the benefit for employment compared to the New Zealand population

A comparison was undertaken between the weekly incomes for those in the survey of sole parents who left the benefit for employment and the New Zealand working population.[102] As Table 59 shows, survey respondents were more likely to be clustered around the middle of the average weekly incomes of the total population. Survey respondents were under-represented at the lower end of the income scale, 8% of respondents having an after-tax income of $200 or less compared with 17% of the total population. Survey respondents were also under-represented at the upper end of the income scale, 2% with a weekly income of $701 or more, as compared with 35% of the total working population. The median income for survey respondents was the same as for the working population as a whole – between $301 and $500 per week.

income, this was multiplied by 12 months and then divided by 52 weeks. Where respondents gave an annual income amount, this was divided by 52 weeks. Those citing a fixed amount for a contract have been deducted from these results. Where respondents gave an income figure before tax, the current tax rate for that level of income was deducted. Those respondents unsure as to whether the income figure given was before or after tax have been excluded from these results.

[102] Note that Statistics New Zealand data is provided as annual personal income, not weekly. The closest equivalent weekly amounts (by dividing the annual amounts by 52 weeks) have been used for this analysis.

Table 59: Average weekly income after tax for respondents and total population[103] (%)

	Total Sample(n=999) A	*Total Population[104] (n=1,630,809) B*
Less than $100	2	9[105] ↑A
Between $101 and $200	6	8 ↑A
Between $201 and $300	22 ↑B	10
Between $301 and $500	51 ↑B	21
Between $501 and $700	12	12
Between $701 and $1,000	2	24 ↑A
More than $1,000	0	11 ↑A
Don't know/Refused to answer	5	5

Base: All respondents currently in paid, taxable employment/Total New Zealand working population.
Significant differences were reported at the 95% confidence interval.
SOURCE: Survey of sole parents who left the benefit for employment, 2001

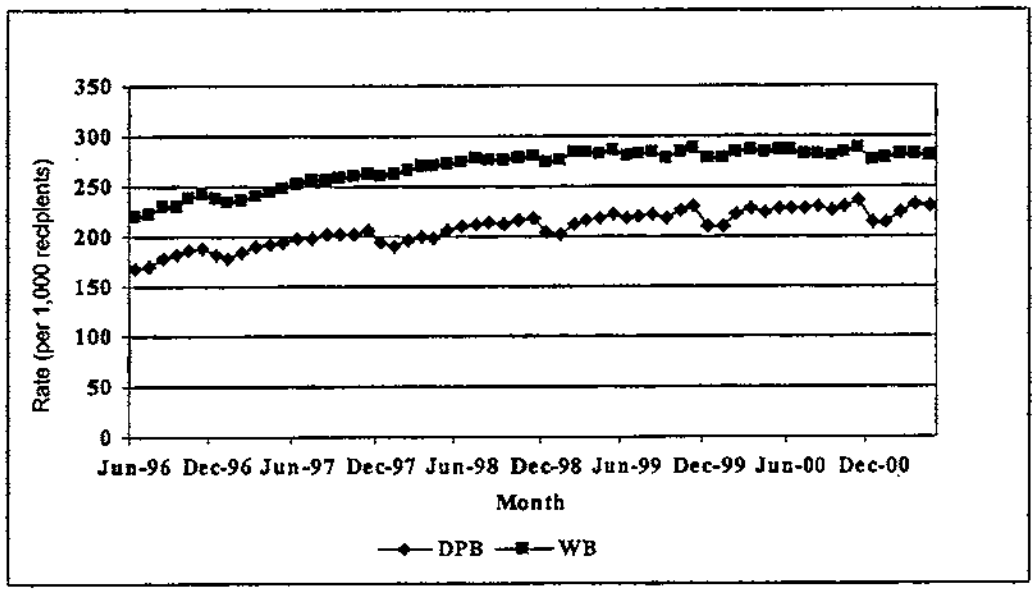
6.2.2 Earnings for part-time workers

DWI administrative data indicates there was a small increase in the amount of earnings[106] declared by both the DPB and WB recipient populations over the period. WB recipients were more likely to declare earnings than were DPB recipients (Figure 9), with both groups showing an increasing rate of declared earnings from June 1996 through to November 1998, after which the rate stabilised.

Table 60 shows that there was a decrease in the rate at which DPB and WB recipients declared earnings in the lowest earning band, and increases in the rate at which earning was declared in the three highest bands. Increases were concentrated in the $80 to $180 and $180 to $300 income bands and to a lesser extent in the $300 plus band (Figure 10 and Figure 11). While the increases during the period were of about the same extent for both groups, WB recipients declared an average of $108 earnings per week compared to an average of $120 for DPB recipients.

[103] Note: It is not possible to provide comparative population statistics for sole parents only as Statistics New Zealand do not provide this information as a standard breakdown. A comparative analysis of the population statistics for women in the workforce would not be valid given that 12% of the survey sample are male.
[104] From 1996 Census of Population and Dwelling, Statistics New Zealand (includes both full and part-time workers).
[105] Includes those who have made a loss.
[106] For benefit abatement purposes recipients are required to declare all additional income received. The earnings presented here are only those gained through employment.

Figure 9: DPB and WB recipients declaring earnings (rate per 1,000 recipients)



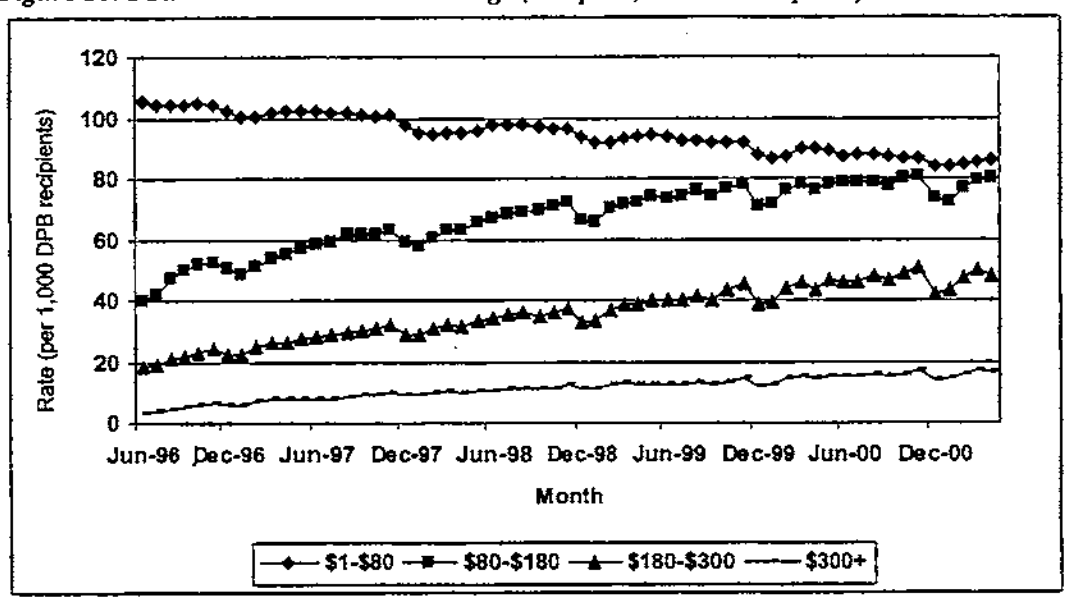
SOURCE: DWI administrative data, 2001

Table 60: DPB and WB trends in amount of declared income for period July 1996 to April 2001

Earnings band per week	*DPB*	*WB*
No earnings declared	Decreasing	Decreasing
$1 to $80	Decreasing	Decreasing
$80 to $180	Increasing	Increasing
$180 to $300	Increasing	Increasing
$300+	Slightly increasing	Slightly increasing

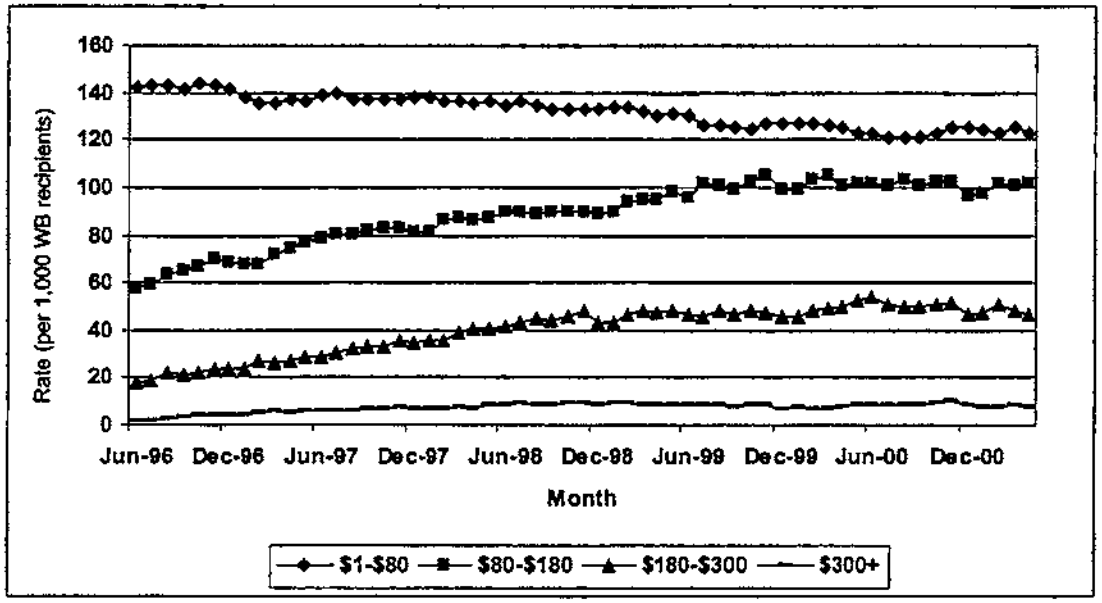
SOURCE: DWI administrative data, 2001

Figure 10: DPB-Additional declared earnings (rate per 1,000 DPB recipients)



SOURCE: DWI administrative data, 2001

Figure 11: WB – Additional declared earnings (rate per 1,000 WB recipients)



SOURCE: DWI administrative data, 2001

The qualitative outcomes research found that those who had moved into part-time work tended to have lower average hourly rates of pay than those who moved into full-time work. The survey of sole parents who left the benefit for employment also found that part-time workers earned less than those in full-time work.

Refer to section 6.2.6.2 Variation in earnings according to ethnicity, particularly Table 70 and Table 71, for further information.

6.2.3 Financial support from DWI

Just over a third of respondents (34%) in the survey of sole parents who left the benefit for employment stated that they were currently receiving some form of financial support from the Department of Work and Income (Table 65).

The Accommodation Supplement is the most frequently mentioned type of financial support currently being received by respondents (70%). Twenty percent were receiving a childcare subsidy for pre-school children, with 9% receiving Family Support (Table 66).

There was some variation in whether or not respondents were receiving financial support from DWI and the type of support received according to age of youngest child and ethnicity.

Refer to sections 6.2.6.1 Variation in earnings according to age of youngest child and section 6.2.6.2 Variation in earnings according to ethnicity respectively for further information.

6.2.4 Extent to which incomes have improved after entering employment

6.2.4.1 Perceptions of income improvement for those who have left the benefit for employment

The survey of those who left the benefit for employment also looked at the extent to which respondents believed they were better off. Survey respondents tended to report they were financially better off after obtaining work. Almost two-thirds of respondents (64%) state that compared to when they were on the DPB, they were financially better off now that they were working (Table 74). Survey respondents were significantly more likely to describe themselves as a lot better off financially as a result of moving into work if they:

- were employed full-time (32%), compared to those working part-time (15%)

- were Māori (34%), compared to Other respondents (25%)
- had a university qualification (39%), compared to those who had a certificate or diploma or no qualifications (28%) or school qualifications only (24%)
- had received the benefit for less than two years (39%), compared to all other respondents (26%)
- lived in Auckland South (47%), compared to all other regions (except Northland (34%), the Waikato (32%), and Taranaki (37%))
- had been working for between five and nine years (32%) and 10 and 14 years (31%) compared, to those working for less than five years (22%)
- were employed as trade workers (39%), plant/machinery operators (37%) and professionals (32%), compared to those working as service workers (21%).

Sixteen percent of survey respondents stated they were worse off after moving into employment. Survey respondents were significantly more likely to describe themselves as a lot worse off financially as a result of moving into work if they:

- had a youngest child aged between 6 and 13 (6%) and 14+ years (7%), compared to respondents with the youngest child under six years of age (2%)
- were aged between 30 and 39 years (5%), 40 and 49 years (6%) and 50+ years (10%), compared to those aged under 30 years (2%)
- had been in receipt of a benefit for between 10 and 19 years (7%), compared to those who had received a benefit for less than two years (1%)
- lived in Northland (11%), compared to those living in Southland (2%) and the Waikato (1%)
- were employed as service and sales workers (9%, compared with 2% of clerks and professionals)
- were employed part-time only (9%), compared to those working full-time (3%).

Perceptions of income improvement varied according to the age of the youngest child and ethnicity. **Refer to sections 6.2.6.1 Variation in earnings according to age of youngest child and section 6.2.6.2 Variation in earnings according to ethnicity respectively for further information.**

Table 61 provides a comparison of respondents' perceptions of their financial situation by their income (after tax, DWI and other debt[107] repayments, but including financial support. **Refer also to section 6.2.4.3 Limits on the extent to which sole parents benefit financially from moving into work).** The table indicates that as the level of income increases, the proportion of respondents stating that they were better off as a result of moving into work also increases, and the proportion stating they were worse off declines. Among those earning between $101 and $200, just under half (45%) stated that they were better off, while most of those earning between $501 and $700 per week stated that they were now better off as a result of moving into work (Table 61).

Table 61: Perception of current financial situation compared with DPB (%) (by current after tax, DWI repayments and other debt repayments, including financial support) - (row percentages)

	Sample Size	*A Lot / A Little Better Off*	*About The Same*	*A Little / A Lot Worse Off*
Less than $100	12	42	33	25
Between $101 and $200	82	45	21	34
Between $201 and $300	235	54	24	22
Between $301 and $500	439	69	19	12
Between $501 and $700	96	84	8	8
$701 or more	17	100	0	0

Base: All respondents currently in paid, taxable employment.
Significant differences were reported at the 95% confidence interval.

[107] Other debt repayment refers to credit cards, bank loans, etc, but excluding mortgages and child maintenance.

SOURCE: Survey of sole parents who left the benefit for employment, 2001

When comparing respondents' incomes (after tax and DWI repayment) for previous and current work, the survey of sole parents who left the benefit for employment found that current incomes had generally improved compared to previous occupations.[108] As Table 62 shows, respondents were more likely to be earning $200 per week or less in their previous job (38% of respondents) than in their current job (8%). By contrast, respondents were more likely to be earning $301 or more in their current job (65%) than in their previous position (28%). The median weekly income in respondents' previous job, excluding "don't know" responses, was between $201 and $300 while, for the current job, the median income was between $301 and $500.

Table 62: Comparison of after-tax and DWI repayments income from previous and current work (%)

	Previous Work (n=225) A	*Current Work (n=999) B*
Less than $50	9 ↑B	1
Between $50 and $100	9 ↑B	1
Between $101 and $200	20 ↑B	6
Between $201 and $300	14	22 ↑A
Between $301 and $500	21	51 ↑A
Between $501 and $700	4	12 ↑A
Between $701 and $1,000	3	2
More than $1,000	0	0
Don't know/Refused to answer	20 ↑B	5

Base: All respondents previously/currently in paid, taxable employment.
Significant differences were reported at the 95% confidence interval.
SOURCE: Survey of sole parents who left the benefit for employment, 2001

For 66% of survey respondents their weekly income had improved on the income they received from their previous job (Table 63). The increase was greatest among those earning lower incomes in their previous job. For example, all respondents earning $100 or less in their previous job were now earning more in their current job. Only 11% of respondents stated that they were currently earning less in their present job than they were in their previous job.

[108] Previous jobs are those undertaken by respondents since they *last* left the benefit. Many had only been off the benefit a few months when they were interviewed.

Table 63: Comparison of after-tax and DWI repayments income from previous and current jobs (%)

Previous Job	Current Job		
	Same Income (%)	Higher Income (%)	Lower Income (%)
Less than $50	0	100	0
Between $50 and $100	0	100	0
Between $101 and $200	7	88	5
Between $201 and $300	26	70	4
Between $301 and $500	54	22	24
Between $501 and $700	38	12	50
Between $701 and $1,000	100	0	0
Total (n=156)	23	66	11

Base: All previous jobs worked by all respondents previously in paid, taxable employment, excluding those who did not provide an income figure for either their previous or current job.
SOURCE: Survey of sole parents who left the benefit for employment, 2001

The qualitative outcomes research, which involved interviews with sole parents (beneficiaries and ex-beneficiaries) over the course of a year, also reported improvements in income amongst some of their participants who were off the benefit. Participants in full-time work in May 2000 were, one year on, reporting more sustained increases in income. However, the qualitative outcomes research also noted that the:

- financial benefits of full-time paid work did take some time to accrue and be felt by the participants
- movement into work did require a cluster of positive circumstances to make it worthwhile (e.g. when a participant can find employment which is both certain and flexible to fit in with childcare responsibilities; can access affordable, flexible and trusted[109] childcare – often provided by family; is free from debt; and is able to enter higher-paid work). **Refer to section 6.2.5 Factors affecting earnings for further details.**

6.2.4.2 Changes in income for those who have entered part-time employment

The Qualitative Outcomes Study found that part-time workers believed the start-up and on-going costs of work, as well as loss of incomes due to debt or abatements, made part-time work only of marginal value compared to staying on the benefit. Figure 9, Figure 10 and Figure 11 (earlier) indicate that there has been little change in the level of earnings for sole parent beneficiaries since the reforms began.

6.2.4.3 Limits on the extent to which sole parents benefit financially from moving into work

There appear to be two key factors affecting the extent to which sole parents benefit financially from moving into work. These factors were the costs of entering employment and the level of debt sole parents had incurred.

[109] The sense of trust is as important as objective measures of quality for participants when arranging childcare. The heavy reliance on family for childcare reflects this.

Impact that the costs of moving into work had on income for sole parents

Most sole parents in the Post-Placement Support evaluation reported some degree of financial difficulty during the first two to three weeks of their job until they received their first pay. The Post-Placement Support evaluation cited the following examples of costs that negatively impacted on sole parents' income in employment:

- wear and tear on vehicles being used for longer periods and trips to work each day
- the rate at which clothing or shoes would wear out
- make-up and haircuts, which had been unnecessary when they were not employed
- work lunches, birthday contributions for co-workers, and coffees to keep going through the day.

The qualitative outcomes research found that participants most likely to find the cost of entering employment particularly high were:

- faced with high transport and/or childcare costs
- had a low income from paid work either because of low hours and/or low hourly pay rates
- earnings-generated abatements to assistance reduced their income - this was immediately felt in relation to the abatement of the Accommodation Supplement: *"I got $150 grant to buy clothes, I also had the time between stopping the DPB and getting my first pay. I had to go into overdraft and it cost money in the long run. And I had travel costs – it was 70 kilometres round trip in my first job – I'm paying for classroom resources."* (Other Employed 14+yrs, Qualitative Outcomes Study, 2001)

"WINZ did offer to pay for my wet weather gear when I was in the orchards but I wanted the money for childcare but I was refused - they would only supply the wet weather gear." (Māori: DPB 7-13 yrs, Qualitative Outcomes Study, 2001)

"I had the job for three months and have now finished. Work did not suit me because I had to pay for travelling fuel costs and had no babysitters. No assistance with these costs." (Māori DPB 0-5 yrs, Qualitative Outcomes Study, 2001)

"I had clothing costs to dress for work - $200 allowed with quotes only. Then travelling is $30 a week." (Pacific Employed 7-13 yrs, Qualitative Outcomes Study, 2001)

The findings from this evaluation were backed up by the international literature. Edin and Lein (1997) reported that wage-earning single mothers, with skills and education comparable to mothers receiving benefits, were often worse off. The Post-Placement Support evaluation, the qualitative outcomes research and the literature (Albelda and Tilly, 1997; Edin and Lein, 1997) all found that while gross family incomes were higher for wage earners, income gains from wage earning were eaten up by the costs of clothing for work, transportation and childcare.

Impact of debt on income available to sole parents

Debt was a significant problem for some sole parents considering entering employment or already in employment. In a survey of sole parents who left the benefit for employment, respondents were asked about debt repayment excluding repayments to DWI (that is, credit cards, bank loans, etc, but excluding mortgages and child maintenance). A quarter of respondents stated that they currently had no other debt repayment responsibilities. However, 18% of respondents stated that they knew that more than 25% of their income after tax and DWI repayments was currently used for other types of debt repayment.[110] Six percent had debt repayments, which absorbed more than 50% of their income after tax and DWI repayments. The median amount of debt repayment was between 6% and 10% of income after tax and DWI repayments.

[110] That is, credit cards, bank loans, etc, but excluding mortgages and child maintenance.

After other debt repayments, along with tax and DWI repayments, were deducted from their income, the greatest single proportion of respondents (41%) had an average weekly income of between $301 and $500 – compared with 51% prior to other debt repayments. Once all tax and debt repayments had been made:

- 27% had an income of between $201 and $300, compared with 22% before other debt repayments
- 9% of respondents had an income of more than $500, compared with 14% prior to other debt repayments
- however, the median income after all tax and debt repayments remained at between $301 and $500 per week (Table 76).

There was some variation in the level of non-DWI debt repayments according to the age of youngest child and ethnicity. There was also some variation by ethnicity and age of youngest child in the income left after all tax and debt repayments were deducted.

Refer to sections 6.2.6.1 Variation in earnings according to age of youngest child and section 6.2.6.2 Variation in earnings according to ethnicity respectively for further information.

Why some sole parents get into debt

As previously discussed, a significant number of sole parents were accumulating debt. For some the debt was incurred while on the DPB. It was difficult for respondents to make inroads into their debt while they were still reliant on the DPB or WB because there was little, if any, additional money available for debt repayment. For others the debt arose when they moved into work. Participants whose earnings fell when they moved into work were particularly vulnerable to increased debt. The qualitative outcomes research and the Post-Placement Support evaluation found that some respondents who moved into work were still repaying debt despite having been in full-time work for months: *"Had to fix the car – sold my freezer to pay for the car. Because I was off the benefit I had to sell personal things to make ends meet. I accumulated a debt with WINZ because I had borrowed money to pay for care before. My Case Manager didn't add it to calculations to be removed from my benefit – it was my word against theirs because the debt was under a previous Case Manager. Because I came off the benefit I had to pay it all back at once."* (Māori Employed 14+ yrs, Qualitative Outcomes Study, 2001)

The Post-Placement Support evaluation suggested that the main reasons why sole parents get into debt are:

- not taking into account the "hidden" costs of working and how much these costs would make inroads into their income
- not anticipating the cost of a child's illness, or ones' own, in terms of lost pay, extra childcare costs and costs of treating the illness
- not knowing about or accessing cover for unpaid sick leave or childcare, and/or not receiving financial entitlements from IRD.

The qualitative outcomes research found respondents also incurred debt as a result of IRD overpayments for family support after taking up part-time work: *"When I first started at the hotel I went to IRD for GMFI because I had gone off the DPB – but they kept overpaying my family support. Now I have a debt and while it started small and even though I went and told three people about it I ended up with a $2,700 debt which I am still paying off because of the penalty interest."* (Māori Employed 14+ yrs, Qualitative Outcomes Study, 2001)

Many participants reported that they had ended up with debt either to Inland Revenue or DWI because of lack of information about earnings and abatements, errors in processing, or incorrect handling of earnings. Participants who found themselves in debt in this manner found it particularly difficult to manage debt repayment and household expenses. Those who found themselves in a debt situation resented not only the over-payments that led to the debt, but also their inability to monitor their payments from DWI because of lack of information about the payment system: *"I haven't told them [DWI] that I've changed jobs and get more because I need the top-up. I'm still on the bones of my arse. As soon as I can earn more I will go off the benefit. The problem is that I was over-paid and have $20 taken off because I had been overpaid*

because of working unpredictable and different hours every week." (Other WB 14+ yrs, Qualitative Outcomes Study, 2001)

"I still have huge debts with IRD. I'll never pay them off." (Other Employed 14+ yrs, Qualitative Outcomes Study, 2001)

The example below illustrates how easily debt traps can occur, and how stressful it was for people to manage it.

Case 9. Accumulating debt prior to and after entering employment

Alofa Smith was a non-PPS participant. Alofa is a Samoan woman aged 37 with two daughters aged 15 and 9 years old. Her marriage of 17 years broke up in 1997 when her husband abandoned her and the girls, and, because she had a large mortgage to repay, she applied for DPB in 1998. She felt embarrassed at the time asking for help in this way, but felt that this was the only option. She also had her aging mother to support, who was looking after her girls when she was working.

She talked about how traumatic the experience of being a sole mum has been for her. The stigma about "being on the DPB" is so strong that she has actually lied about being on it. She talked about the experience of everywhere meeting friends with partners and the feeling of immense sadness, shame and loneliness of being alone. She really found it hard making the transition from wife to DPB beneficiary. Alofa's only support has come from her mother and she remembers the shame she felt when she had no option but to use some of her mother's old age pension in times of dire need.

Before her marriage broke up in 1997, Alofa had been working at a plastics factory in South Auckland. She had also worked at Foodtown. While on the DPB, Alofa and her girls delivered circulars and other odd jobs to keep them afloat. She had also felt confident that she could return to work at the factory and her employer had stated that her job would be available to her in the future if required. After two years on the DPB, Alofa has managed to return to work. Not wanting to go back to her old factory, she made inquiries through listings in the Yellow Pages for three months before finding a job.

However, since going back to work, issues have arisen for her, which are causing her and her family much distress. She is earning less than what she was getting on the DPB, which means she is struggling to meet her financial commitments. She and one of her daughters suffer from chronic asthma and thus she has needed to stay home either to nurse her daughter or when she herself has been sick.

When she was on the DPB, Alofa was receiving approximately $597 per week (including accommodation supplement, etc.). This was ample to cover her mortgage, car repayments, power, rates insurance, food and other necessities. However, because she was intent on getting off the DPB and getting back to work, she is dismayed to find that she is only earning $530 per week. This is why she is struggling to make ends meet. At the moment she is rather perplexed and weighing up the options of going back on the benefit, enjoying having enough money, and seeing and being with her girls more, or struggling under the present financial arrangements.

What has exacerbated the situation for Alofa is that two months into her job, she became very ill and had to have an operation. This all took three weeks, and because she was not aware that she was entitled to paid sick leave, all her financial commitments fell behind. Her phone was cut off, she was being threatened with a mortgagee sale, and her water was almost disconnected. She has managed to make arrangements to pay arrears off her mortgage but this has necessitated a bigger chunk being taken out of her pay each week and keeping her house will depend on her and/or her daughter not becoming ill in the near future.

Alofa did not receive much help or support from DWI at all. All she got were renewal forms for DPB continuance in the mail, which she would fill in and return. She did not know about PPS and was not aware that she had a Case Manager. What kick-started her into finding a job was her motivation for more money to meet her financial commitments. Her only support came from her mother and her brother who would drop off food for her and her girls from time to time. She was too ashamed to seek support from her other church and Samoan community networks. She spoke about how her kids played up when she went back to work and how they were missing buses, turning up to school late, etc because she was no longer able to drop them off at school like she

used to when she was on the DPB. Their grades were falling because she was now too tired to help with their homework. She is really caught in a dilemma - to go back on the DPB which would relieve her financial obligations, or remain working with the constant threat of water/power being cut off and the possibility of losing her house should she fall seriously ill.

When she rang DWI to tell them she had found a job, *"...a lady came to see me. She asked questions about my husband, and told me my benefit would stop in December, even though I told her my new job would start on 10 January".*

This was the extent of DWI support during Alofa's transition to paid employment. She said she would have benefited greatly from the support offered through PPS, and would have appreciated having the choice to alleviate her severe financial situation and dilemma about going back on or staying off the DPB.

SOURCE: PPS evaluation, 2000

6.2.5 Factors affecting earnings

There are a host of factors that seem to affect earnings, including educational attainment, occupation, gender, length of time in the workforce, length of time on the benefit, previous work experience, location, full-time or part-time status and take-up of entitlements (e.g. from DWI and IRD). All but the last two factors affected the type of employment DPB and WB recipients were able to obtain, which in turn affected earnings.

6.2.5.1 Educational attainment and earnings

Those with higher educational qualifications were more likely to obtain higher-paying jobs. For example, the survey of sole parents who left the benefit for employment found that respondents with no formal qualifications (36%), school qualifications (31%) or a certificate/diploma (29%) were more likely to be earning "low"[111] weekly incomes than those with a university qualification (14%). Respondents with a university qualification, on the other hand, were more likely to be receiving a "high" income (29%), compared with all other respondents (12%).

This is consistent with the literature. When sole parents have higher levels of education, or well qualified past work experience[112] they are more likely to enter employment at a wage level capable of supporting their family and the expenses of working (Harris, 1993; Levine et al, 1993). However, some New Zealand research suggests that parents with children, even with similar educational characteristics, are likely to earn less than non-parents, although some of the differences are explainable by differences in work experience cumulative over time (Dixon, 2000).

6.2.5.2 Occupation and earnings

A number of the evaluations found that those employed in professional occupations were more likely to benefit financially from full-time work. For example, the survey of sole parents who left the benefit for employment found respondents working as service/sales workers (52%), agricultural workers (40%) and technicians/associate professionals (32%) were more likely to be earning "low" incomes compared to all other respondents, particularly clerks (19%) and professionals (9%). By contrast, respondents currently employed as professionals (24%) and plant/machinery operators (20%) were more likely to be earning "high" incomes compared to service/sales workers (5%) (not all others). Respondents working as clerks (63%), trade workers (57%) and plant/machinery operators (54%) were most likely to be earning "middle" incomes.

This is supported by other New Zealand research. Levine et al (1993) undertook a study of New Zealand sole parents' labour force participation. Of the 95 sole parents in the study, 28 were self-supporting. Of this 28, 24 were ex-beneficiaries while four had never received a benefit. Three-quarters (21) of the self-

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[111] Note: For the purpose of this analysis, income categories have been grouped as follows:

Up to $300 per week	Low income
$301-$500 per week	Middle income
$501 and over per week	High income

[112] Further discussion about the relationship between education and work history and employment is presented in section 5.3.

supporting beneficiaries were in relatively well-paid professional, managerial or white-collar jobs, the other seven were in low-skilled or unskilled jobs with low pay. The better-paid group seemed to have more economic security, while those in the low paid group either planned to go back on the benefit or thought they may have to, as their income was too low to support their family (Levine et al, 1993).

6.2.5.3 Gender and earnings

Female sole parents were likely to earn less per week than male sole parents. For example, the survey of sole parents who left the benefit for employment found female respondents were more likely to be receiving a "low" weekly income (31%) compared to their male counterparts (16%). By contrast, male respondents were more likely to be receiving a "high" income (25%) compared to female respondents (13%).

6.2.5.4 Length of time on the benefit and earnings

There is some evidence to suggest that those who were on the benefit for longer periods of time were more likely to be on lower incomes. For example, the survey of sole parents who left the benefit for employment found those who had been in receipt of a benefit for five or more years were more likely to be earning "low" incomes (34%) than those who had been receiving financial support for less than five years (23%).

6.2.5.5 Length of time in the workforce and previous work experience and earnings

Length of time in the workforce appears to positively affect earnings. The survey of sole parents who left the benefit for employment found that those who had been working for 15 or more years were more likely to be on higher incomes.

However, the nature of the previous work experience appears to be important as well as the length of time spent working. Participants in the Qualitative Outcomes Study who had entered or remained in low-paid, unskilled, casual or temporary jobs over the last year had often had similar occupations prior to going onto the DPB and WB. It was common for them to go from one casual job to another.

6.2.5.6 Geographic location and earnings

It appears sole parents in highly urbanised locations may be more likely to earn more than those in rural/provincial locations. In the survey of sole parents who left the benefit for employment, respondents living in Auckland Central were more likely to be receiving a "high" weekly income (29%) than those living in Taranaki (13%), Northland (11%), the East Coast (11%), Auckland South (10%) and the Waikato (10%).

The survey also revealed respondents living in the Waikato (40%), Central (37%) and Canterbury (35%) were most likely to be receiving "low" incomes relative to other respondents. Respondents living in Wellington (57%) Auckland North (56%), and Auckland South (56%) were more likely to be receiving "middle" incomes than those living in Central (39%).

6.2.5.7 Full-time/ part-time status and earnings

The Qualitative Outcomes Study found that those who had moved into part-time work tended to have lower average hourly rates of pay than those who moved into full-time work. In the survey of sole parents who left the benefit for employment, part-time workers earned less than those in full-time work. Respondents currently working part-time (that is, fewer than 30 hours a week) were more likely to be receiving financial support from DWI (43%) than those currently working full-time (32%).

6.2.5.8 Earnings and awareness of entitlements from DWI and IRD

Many sole parents entering work are entitled to some level of support from DWI and IRD. However not all sole parents were aware of their entitlements and in some cases did not receive them. The Post-

Placement Support evaluation found that: *"Few Case Managers, apart from Compass co-ordinators, offered to provide any transition assistance or advised people of the various contingencies for situations where the job became redundant or unsatisfactory."*

Refer to section 4.4.7.2 Interaction with the Inland Revenue Department (IRD).

6.2.6 Variation in earnings according to age of youngest child and ethnicity

6.2.6.1 Variation in earnings according to age of youngest child

There was variation in the earnings according to the age of the youngest child amongst the following:

- those who left the benefit for employment
- assistance received from DWI
- perceptions of income improvement
- impact of debt on income.

Earnings of those who left the benefit for employment

There was little difference in earnings according to the age of the youngest child amongst respondents to the survey of sole parents who left the benefit for employment. Table 64 indicates that of the survey respondents, those with their youngest child under six years of age were more likely to be earning between $501 and $700 (17%) than those with their youngest child aged between 6 and 13 years (9%). However, the median income for all three groups was between $301 and $500 per week.

In general, however, sole parents with younger children were less likely to leave the benefit for employment than sole parents with older children. The above data suggests that sole parents with young who cannot earn higher wages/salaries remain on the benefit.

Table 64: Average weekly income after tax and DWI repayments (%) - (by age of youngest child)

	Total Sample (n=999)	*Child < 6 Years (n=335) A*	*Child 7 - 13 Years (n=463) B*	*Child 14 Years + (n=201) C*
Less than $50	1	1	1	1
Between $50 and $100	1	1	0	1
Between $101 and $200	6	7	5	6
Between $201 and $300	22	20	23	23
Between $301 and $500	51	47	52	54
Between $501 and $700	12	17 ↑B	9	10
Between $701 and $1,000	2	3	2	1
More than $1,000	0	0	1	0
Don't know/Refused	5	4	7	4

Base: All respondents currently in paid, taxable employment.
Significant differences were reported at the 95% confidence interval.
SOURCE: Survey of sole parents who left the benefit for employment, 2001

Assistance received from DWI by age of youngest child

Respondents with their youngest child under six years of age (39%) or aged between 6 and 13 (33%) were more likely to be receiving some form of financial support than those with their youngest child 14 years of age or over (23%) (Table 65).

Table 65: Share currently receiving financial support from DWI (%) - (by age of youngest child)

	Total Sample (n=1,016)	*Child < 6 Years (n=342) A*	*Child 7 - 13 Years (n=471) B*	*Child 14 Years + (n=203) C*
Currently receiving support	34	39 ↑C	33 ↑C	23
Not currently receiving support	66	61	67	77 ↑AB

Base: All respondents.
Significant differences were reported at the 95% confidence interval.
SOURCE: Survey of sole parents who left the benefit for employment, 2001

The survey of sole parents who left the benefit for employment found those with their youngest child under six years of age were more likely to be receiving a pre-school childcare subsidy (45%) than those with older children (1%). Those with their youngest child between 6 and 13 years of age were more likely to be receiving a child disability allowance (7%) than all other respondents (2%) (Table 66). Sole parents with a youngest child aged less than seven years old were more likely to be receiving the accommodation supplement.

Table 66: Type of financial support being received (%) - (by age of youngest child)

	Total Sample (n=329)	*Child < 6 Years (n=126) A*	*Child 7 - 13 Years (n=155) B*	*Child 14 Years + (n=48) C*
Accommodation Supplement	70	57	80 ↑A	84 ↑A
Childcare Subsidy – Pre-school children	20	45 ↑BC	1	0
Family Support	9	6	12	6
Childcare Subsidy – OSCAR	6	9	5	2
(Child) Disability Allowance	4	2	7 ↑A	2
Special Needs Grant	3	2	4	2
Community Wage – Unemployment	2	1	2	4
Invalid's Benefit	1	2	1	2
Enterprise Allowance/Self-employment grant	1	1	2	2

Base: All respondents receiving some form of financial support
Note: Multiple responses to this question possible. Consequently the columns may total more than 100%.
Sample size for respondents with youngest child 14 years and over is small - consequently results for this group should be considered indicative only.
Significant differences were reported at the 95% confidence interval.
Table lists financial support received by five or more respondents only.
SOURCE: Survey of sole parents who left the benefit for employment, 2001

Perceptions of income improvement

The survey of sole parents who left the benefit for employment found respondents with the youngest children aged under six years were significantly more likely to describe themselves as "a lot better off" (33%) than those with their youngest children 6 – 13 years (24%). This is consistent with respondents with the youngest children aged under six years earning more than respondents with the youngest children aged over six years. As a corollary of this, those with the youngest child aged 6 – 13 years were more likely to feel that they were a little better off (40%, compared with 32% of respondents with their youngest child under 6 years). Respondents with the youngest child between 6 and 13 (6%) and 14 years and over (7%) were more likely to describe themselves as "a lot worse off" as a result of moving into work than respondents with the youngest child under six years of age (2%) (Table 67).

Table 67: Perception of current financial situation compared with DPB (%) - (by age of youngest child)

	Total Sample (n=1,016)	*Child < 6 Years (n=342) A*	*Child 7 - 13 Years (n=471) B*	*Child 14 Years + (n=203) C*
A lot better off	28	33 ↑B	24	28
A little better off	36	32	40 ↑A	34
Total better off	64	65	64	62
About the same	19	20	17	18
A little worse off	12	13	12	12
A lot worse off	4	2	6 ↑A	7 ↑A
Total worse off	16	15	18	19
Don't know	1	0	1	1

Base: All respondents.
Significant differences were reported at the 95% confidence interval.
SOURCE: Survey of sole parents who left the benefit for employment, 2001

Impact of debt on income available to sole parents in work

The level of debt appears to be greatest for those with younger children. The survey of sole parents who left the benefit for employment found that:

- respondents with the youngest child six years of age or under were more likely to report using between 31% and 40% of their income for other debt repayment[113] (5%) than those with their youngest child 14 years of age or older
- the median level of debt for those with the youngest child under six years of age, and between 6 and 13 years was between 6% and 10% of after-tax and DWI repayment income, while for respondents with the youngest child 14 years and over, the median level of debt repayment was between 1% and 5% (Table 68).

The survey of sole parents who left the benefit for employment found that:

- respondents with the youngest child aged between 6 and 13 years were more likely to have an income of between $201 and $300 (30%) after other debt repayments, compared to respondents with the youngest child under six years of age (24%)
- those with the youngest child under six years of age were more likely to have an after other debt repayment income of between $501 and $700 per week (11%) than all other respondents (5%)
- The median income for all groups was between $301 and $500 per week (Table 69).

[113] This refers to credit cards, bank loans, etc, but excluding mortgages and child maintenance.

Table 68: Level of debt repayment (share of after-tax and DWI repayments income) - (by age of youngest child)

	Total Sample (n=1,016)	*Child < 6 Years (n=342) A*	*Child 7 - 13 Years (n=471) B*	*Child 14 Years + (n=203) C*
None – no debt repayment	25	22	26	28
Between 1% and 5%	19	19	18	25
Between 6% and 10%	12	14	11	11
Between 11% and 15%	7	7	7	10
Between 16% and 20%	6	6	8	3
Between 21% and 25%	7	8	7	5
Between 26% and 30%	4	5	3	2
Between 31% and 40%	4	5 ↑C	3	1
Between 41% and 50%	4	3	5	6
More than 50%	6	7	5	4
Don't know	5	4	6	5
Refused to answer	1	0	1	0

Base: All respondents currently working in taxable paid employment.
Significant differences were reported at the 95% confidence interval.
SOURCE: Survey of sole parents who left the benefit for employment, 2001

Table 69: Average weekly income after tax, DWI repayments and other debt repayments (%) - (by age of youngest child)

	Total Sample (n=999)	*Child < 6 Years (n=335) A*	*Child 7 - 13 Years (n=463) B*	*Child 14 Years + (n=201) C*
Less than $50	1	1	1	1
Between $50 and $100	1	2	1	1
Between $101 and $200	13	13	12	13
Between $201 and $300	27	24	30 ↑A	25
Between $301 and $500	41	41	40	47
Between $501 and $700	8	11 ↑BC	6	4
Between $701 and $1,000	1	2	1	0
More than $1,000	0	0	1	0
Refused to answer	0	0	0	0
Not established[114]	8	6	9	9

Base: All respondents currently in paid, taxable employment, excluding those where after-tax, DWI repayment and other debt repayment income was unable to be ascertained due to missing data for one or more variable.
Significant differences were reported at the 95% confidence interval.
SOURCE: Survey of sole parents who left the benefit for employment, 2001

[114] Where a respondent did not give level of debt repayment, an after-tax, DWI and debt repayment income could not be calculated.

6.2.6.2 Variation in earnings according to ethnicity

There was variation in the earnings according to ethnicity amongst the following:

- those who had left the benefit for employment
- those who worked part-time
- assistance received from DWI
- perceptions of income improvement
- impact of debt on income.

Earnings of those who have left the benefit for employment

The survey of sole parents who left the benefit for employment revealed there were no significant differences in income earned by ethnicity of the respondent. The median weekly income after tax and DWI repayments for all three groups was between $301 and $500.

Earnings for part-time workers by ethnicity

Table 70: Additional declared earnings of DPB recipients by ethnic group (June 1996 – April 2001)

Income Declared	*Māori*	*Pākehā*	*Pacific Peoples*	*Other*	*Not Coded*	*Total*
None	85%	74%	89%	79%	79%	79%
$1-$80	7%	11%	3%	9%	9%	9%
>$80-$180	4%	8%	4%	7%	7%	7%
>$180-$300	2%	4%	3%	4%	4%	4%
>$300	1%	1%	1%	1%	1%	1%
Total	100%	100%	100%	100%	100%	100%
Base	36,534	46,761	8,530	5,226	12,383	109,434
Average	$113	$120	$152	$127	$117	$120

Base is average per month. In this case 59 months for inclusive period of study.
SOURCE: DWI administrative data, 2001

Table 71: Additional declared earnings of WB recipients by ethnic group (June 1996 – April 2001)

Income Declared	*Māori*	*Pākehā*	*Pacific Peoples*	*Other*	*Not Coded*	*Total*
None	81%	68%	89%	77%	71%	73%
$1-$80	10%	16%	3%	11%	15%	13%
>$80-$180	6%	11%	5%	7%	9%	9%
>$180-$300	3%	5%	3%	3%	4%	4%
>$300	1%	1%	1%	1%	1%	1%
Total	100%	100%	100%	100%	100%	100%
Base	1,870	4,045	609	639	2,106	9,269
Average	$107	$109	$151	$109	$104	$108

Base is average per month. In this case 59 months for inclusive period of study.
SOURCE: DWI administrative data, 2001

Assistance received from DWI by ethnicity

Other respondents in the survey of sole parents who left the benefit for employment were more likely to be receiving some kind of support (35%) than Pacific Peoples (22%) (Table 72).

Table 72: Share currently receiving financial support from DWI (%) - (by ethnicity)

	Total Sample (n=1,016)	*Māori (n=267) A*	*Pacific Peoples (n=106) B*	*Other (n=643) C*
Currently receiving support	34	34	22	35 ↑B
Not currently receiving support	66	66	78 ↑C	65

Base: All respondents.
Significant differences were reported at the 95% confidence interval.
SOURCE: Survey of sole parents who left the benefit for employment, 2001

There were no significant differences in the types of support received by ethnicity in the survey of sole parents who left the benefit for employment. This may be due to the relatively small sample sizes (Table 73). However, results by the age of the youngest child show some significant differences. Respondents with the youngest child between 6 and 13 years of age (80%) and 14 years or over (84%) were more likely to be receiving an Accommodation Supplement than those with the youngest child under six years of age (57%).

Table 73: Type of financial support being received (%) - (by ethnicity)

	Total Sample (n=329)	*Māori (n=88) A*	*Pacific Peoples (n=23) B*	*Other (n=218) C*
Accommodation Supplement	70	65	62	73
Childcare Subsidy – Pre-school children	20	23	37	18
Family Support	9	10	14	8
Childcare Subsidy – OSCAR	6	5	0	7
(Child) Disability Allowance	4	4	0	5
Special Needs Grant	3	1	0	3
Community Wage – Unemployment	2	3	0	1
Invalid's Benefit	1	1	0	2
Enterprise Allowance/Self-employment grant	1	0	0	2

Base: All respondents receiving some form of financial support.
Note: Multiple responses to this question possible. Consequently the columns may total more than 100%.
Sample sizes for Māori and Pacific Peoples were small - consequently, results for these groups should be considered indicative only. Significant differences were reported at the 95% confidence interval. Table lists financial support received by five or more respondents only.
SOURCE: Survey of sole parents who left the benefit for employment, 2001

Perceptions of income improvement by ethnicity

In the survey of sole parents who left the benefit for employment, Māori respondents were significantly more likely to describe themselves as being "a lot better off" as a result of moving from the DPB into work (34%) than Other respondents (25%). Other respondents were more likely to describe their financial situation as unchanged (21%) compared to their Māori counterparts (13%). Other respondents were also significantly more likely to describe themselves as "a little worse off" as a result of moving into work (13%) than Pacific Peoples (4%) (Table 74).

Table 74: Perception of current financial situation compared with DPB (%) - (by ethnicity)

	Total Sample (n=1,016)	*Māori (n=267) A*	*Pacific Peoples (n=106) B*	*Other (n=643) C*
A lot better off	28	34 ↑C	35	25
A little better off	36	37	39	36
Total better off	64	71	74	61
About the same	19	13	19	21 ↑A
A little worse off	12	11	4	13 ↑B
A lot worse off	4	4	2	5
Total worse off	16	15	6	18
Don't know	1	1	1	0

Base: All respondents.
Significant differences were reported at the 95% confidence interval.
SOURCE: Survey of sole parents who left the benefit for employment, 2001

Ethnicity and impact of debt on available income from employment

The survey of sole parents who left the benefit for employment found that:

- Other respondents were likely to be using a lesser proportion of their income (after-tax and DWI repayment income) for other debt repayment (e.g. credit cards, bank loans, etc, but excluding mortgages and child maintenance) than Māori respondents - 14% compared to 22%
- in contrast, Māori respondents had a higher level of other debt repayment (e.g. credit cards, bank loans, etc, but excluding mortgages and child maintenance). Fourteen percent of Māori respondents were using 21% to 30% of their income for other debt repayment, compared with 9% of Other respondents
- 16% of Māori respondents used 41% or more of their income (after tax and DWI repayment income) on other debt repayment, compared with 7% of Other respondents. The median level of debt for Māori and Pacific Peoples was between 6% and 10% of their income (after tax and DWI repayment), while for Other respondents, the median level of other debt repayment was between 1% and 5% (Table 75).

Table 75: Level of debt repayment (share of after-tax and DWI repayments income) - (by ethnicity)

	Total Sample (n=1,016)	*Māori (n=267) A*	*Pacific Peoples (n=106) B*	*Other (n=643) C*
None – no debt repayment	25	22	32	25
Between 1% and 5%	19	14	15	22 ↑A
Between 6% and 10%	12	13	9	13
Between 11% and 15%	7	6	7	8
Between 16% and 20%	6	6	4	6
Between 21% and 25%	7	9 ↑C	10	6
Between 26% and 30%	4	5 ↑C	7	3
Between 31% and 40%	4	4	1	4
Between 41% and 50%	4	7 ↑C	5	3
More than 50%	6	9 ↑C	9	4
Don't know	5	5	1	5
Refused to answer	1	0	0	1

Base: All respondents currently working in taxable paid employment.
Significant differences were reported at the 95% confidence interval.
SOURCE: Survey of sole parents who left the benefit for employment, 2001

In the survey of sole parents who left the benefit for employment the average weekly income after tax, DWI repayments and other debt repayments varied as follows by ethnicity:

- Māori respondents were more likely to have an income of between $101 and $200 per week (15%) than Pacific Peoples (5%) were
- Pacific Peoples were more likely to have an income of between $201 and $300 per week (40%) compared with both Māori (27%) and Other respondents (25%)
- Other respondents were more likely to have an income of between $501 and $700 (9%) than Māori respondents (4%) were
- the median after-other debt repayment income for Māori was $201 to $300 per week, while for Pacific Peoples and Other respondents, the median after-other debt repayment income was $301 to $500 (Table 76).

Table 76: Average weekly income after tax, DWI repayments and other debt repayments (%) - (by ethnicity)

	Total Sample (n=999)	*Māori (n=263) A*	*Pacific Peoples (n=106) B*	*Other (n=630) C*
Less than $50	1	1	1	0
Between $50 and $100	1	1	0	1
Between $101 and $200	13	15 ↑B	5	12
Between $201 and $300	27	27	40 ↑AC	25
Between $301 and $500	41	38	44	42
Between $501 and $700	8	5	4	9 ↑A
Between $701 and $1,000	1	0	0	2
More than $1,000	0	1	0	0
Refused to answer	0	0	1	0
Not established[115]	8	12	5	9

Base: All respondents currently in paid, taxable employment, excluding those where after-tax, DWI repayment and other debt repayment income was unable to be ascertained due to missing data for one or more variable.
Significant differences were reported at the 95% confidence interval.
SOURCE: Survey of sole parents who left the benefit for employment, 2001

6.2.7 Summary

This section examined earnings for sole parents in employment, financial support received from DWI, factors affecting earnings, perception of their financial situation, and factors affecting the extent to which sole parents benefit financially from the income derived from employment.

- **Earnings for sole parents in employment:** The survey of sole parents who left the benefit for employment found that half of all respondents currently in employment (51%) received an average weekly income of between $301 and $500 after tax and after repayments to DWI of student loans and advances. The survey revealed there were no significant differences in income earned by ethnicity of the respondent. Respondents with their youngest child under six years of age were more likely to be earning between $501 and $700 (17%) than those with their youngest child aged between 6 and 13 years (9%). However, the median income for all three groups was between $301 and $500 per week. This reflects the approximate mid-point of the average weekly incomes of the total New Zealand population.

  DWI administrative data indicates there was a small increase in the amount of earnings[116] declared by both the DPB and WB recipient populations over the period. Several sources of data indicate that those who have moved into part-time work tend to have lower average hourly rates of pay than those who moved into full-time work.

- **Financial support received from DWI:** Once sole parents obtain employment they do not necessarily become completely independent of DWI financially. This reflects the fact that many do not obtain high-paying jobs. Just over a third of respondents (34%) in the survey of sole parents who left the benefit for employment stated that they were currently receiving some form of financial

[115] Where a respondent did not give level of debt repayment, an after-tax, DWI and debt repayment income could not be calculated.

[116] For benefit abatement purposes recipients are required to declare all additional income received. The earnings presented here are only for those gained through employment.

support from the Department of Work and Income. This support was most likely to take the form of the Accommodation Supplement (70%). Respondents with their youngest child under six years of age (39%) or aged between 6 and 13 (33%) were more likely to be receiving some form of financial support than those with the youngest child 14 years of age or over (23%).

Other respondents in the survey were most likely to be receiving some kind of support (35%) than Pacific Peoples (22%). The Qualitative Outcomes Study offers some explanation for this finding. It found that Māori and Pacific respondents had less knowledge of the reforms and available assistance than Other respondents. However the study also indicated that most respondents, irrespective of ethnicity, were concerned that they had not been provided with sufficient information on their entitlements.

- **Factors affecting earnings:** There were a host of factors that seemed to affect earnings, including:
  - educational attainment - those with higher educational qualifications were more likely to obtain higher-paying jobs
  - occupation - a number of the evaluations found that those employed in professional occupations were more likely to benefit financially from full-time work
  - gender - female sole parents were likely to earn less per week than male sole parents
  - length of time on the benefit - there is some evidence to suggest that those who were on the benefit for longer periods of time were more likely to be on lower incomes
  - length of time in the workforce - this appeared to positively affect earnings
  - location - it appears sole parents in highly urbanised locations may be more likely to earn more than those in rural/provincial locations
  - full-time or part-time status - those who have moved into part-time work tended to have lower average hourly rates of pay than those who moved into full-time work
  - Take-up of entitlements (e.g. from DWI and IRD).

  All but the last two factors affect the type of employment DPB and WB recipients were able to obtain, which in turn affected earnings.

- **Perception of their financial situation:** Survey respondents tended to report they were financially better off after obtaining work (64%). Survey respondents were significantly more likely to describe themselves as a lot better off financially as a result of moving into work if they:
  - were employed full-time (32%), compared to those working part-time (15%)
  - were Māori (34%), compared to Other respondents (25%)
  - lived in Auckland South (47%), compared to all other regions regions (except Northland (34%), the Waikato (32%), and Taranaki (37%))
  - had a university qualification (39%), compared to those who had a certificate or diploma or no qualifications (28%) or school qualifications only (24%)
  - had received the benefit for less than two years (39%), compared to all other respondents (26%)
  - had been working for between 5 and 9 years (32%) and 10 and 14 years (31%), compared to those working for less than five years (22%)
  - were employed as trade workers (39%), plant/machinery operators (37%) and professionals (32%), compared to those working as service workers (21%).

  It was not clear why Māori and those living in South Auckland were more likely to report they were a lot better off once they moved into employment. However it may reflect the comparatively worse financial situation of these respondents prior to moving off the benefit, making any increase in income more noticeable. Alternatively, for Māori, it may reflect lower childcare costs brought about by the higher use of family for childcare.

Sixteen percent of survey respondents stated they were worse off after moving into employment. Survey respondents were significantly more likely to describe themselves as a lot worse off financially as a result of moving into work if they:

- had a youngest child aged between 6 and 13 (6%) and 14+ years (7%) compared to respondents with the youngest child under six years of age (2%)
- were aged between 30 and 39 years (5%), 40 and 49 years (6%) and 50+ years (10%) compared to those aged under 30 years (2%)
- had been in receipt of a benefit for between 10 and 19 years (7%) compared to those who had received a benefit for less than two years (1%)
- lived in Northland (11%) compared to those living in Southland (2%) and the Waikato (1%)
- were employed as service and sales workers (9%, compared with 2% of clerks and professionals)
- were employed part-time only (9%) compared to those working full-time (3%).

Other respondents were more likely than Māori and Pacific Peoples to describe their financial situation as about the same or a little worse than being on the DPB.

The qualitative outcomes research also reported improvements in income amongst some participants who were off the benefit. However, this research also noted that the:

- financial benefits of full-time, paid work did take some time to accrue and be felt by the participants
- movement into work did require a cluster of positive circumstances to make it worthwhile (e.g. when a participant can find employment which is both certain and flexible to fit in with childcare responsibilities; can access affordable, flexible and trusted[117] childcare – often provided by family; and is able to enter higher-paid work).

- **Factors affecting the extent to which sole parents benefit financially from the income derived from employment:** There appear to be two key factors affecting the extent to which sole parents benefit financially from moving into work. These factors were the costs of entering employment and the level of debt sole parents had incurred.

  The costs of entering employment include childcare, transport to and from employment, obtaining work clothes and in some cases providing equipment for work.

  Debt appears to be a significant issue for a sizeable minority of sole parents. In the survey of sole parents who left the benefit for employment, 18% of respondents stated that they knew that more than 25% of their income after tax and DWI repayments was currently used for other types of debt repayment (e.g. credit cards, bank loans, etc, but excluding mortgages and child maintenance). Six percent had debt repayments which absorbed more than 50% of their income after tax and DWI repayments. The median amount of debt repayment was between 6% and 10% of income after tax and DWI repayments.

  The survey revealed that sole parents with a youngest child under 14 years of age had higher median levels of other debt after tax and DWI repayments (6% to 10%) than those with a youngest child over 14 years of age (1% to 5%). Survey respondents with a youngest child under six years of age were still more likely to have an income of between $501 and $700 per week (11%) after tax, DWI repayments and other debt repayment than all respondents with a youngest child over six years of age (5%). However, the median income for all groups by age of youngest child remained at between $301 and $500 per week after tax, DWI repayments and other debt repayment.

  Māori respondents had a higher level of other debt repayment (e.g. credit cards, bank loans, etc, but excluding mortgages and child maintenance). Fourteen percent of Māori respondents were using 21% to 30% of their income for other debt repayment, compared with 9% of Other respondents. As a proportion of their income after tax and DWI repayments, the median level of debt for Māori and Pacific Peoples was between 6% and 10% compared to between 1% and 5% for Other respondents.

[117] The sense of trust is as important as objective measures of quality for participants when arranging childcare. The heavy reliance on family for childcare reflects this.

Debt appears to have a greater effect on the income available to Māori respondents. After tax, DWI repayments and other debt repayments, the median income for Māori was $201 to $300 per week, while income for Pacific Peoples and Other respondents was $301 to $500.

The PPS evaluation and the qualitative outcomes evaluation suggested the following as reasons for sole parents incurring debt:

- borrowing money while on the DPB to cover costs
- costs of employment making significant inroads into any income earned (e.g. childcare, transport to and from work)
- not being able to cover the costs of a child's illness, or one's own, in terms of lost pay, extra childcare costs and costs of treating the illness
- not knowing about, or accessing, cover for unpaid sick leave or childcare, and/or not receiving financial entitlements from IRD
- overpayments from IRD for family support after taking up part-time work.

6.3 Summary - Outcomes

- There was an increase in the number of sole parents moving off the benefit following the February 1999 changes.

  Overall, an analysis of administrative data shows that the proportion of sole parents being off the benefit after February 1999 increased. The size of the increase was greatest for those with a youngest child aged 14 or over at entry. However, the increase in non-receipt was also pronounced for those with younger children, not targeted by the full-time work test (i.e. those subject to the part-time work test or no work test). The reforms may have had a signalling effect, which led to wider than expected changes in full-time employment propensities. General improvements in employment conditions and other policy changes (e.g. changes in abatement rates) may have caused some of the shift. It is not possible to isolate with certainty the respective impacts of the 1999 reforms and these wider changes (Ball and Wilson, 2000).

  This finding from the administrative data analysis was consistent with the results from the survey of sole parents who left the benefit for employment which indicated that sole parents with a youngest child aged 14 or over were most likely to report the reforms had had some impact. It was also consistent with the finding that staff placed greater emphasis on the full-time work tested groups.

  DWI administrative data indicates that since 1996, involvement in part-time work increased from approximately one-quarter to one-third amongst DPB recipients with a youngest child aged 7-13 and 14+ years. There does not, however, appear to have been a significant increase in part-time employment participation directly attributable to the February 1999 changes.

- Most of those that moved into employment and off the benefit reported that they were better off financially, even though in some cases those gains took time to accrue.

  The survey of sole parents who left the benefit for employment[118] found that half of all respondents currently in employment (51%) received an average weekly income of between $301 and $500 after tax and after repayments of student loans and DWI advances. The survey revealed there were no significant differences in income earned by ethnicity of the respondent.

  It should be noted, however, that:

  - some people who moved off the benefit and into employment were still on low incomes. Just over a third of respondents (34%) in the survey of sole parents who left the benefit for employment stated that they were currently receiving some form of financial support from DWI[119]

[118] Most respondents in the survey of sole parents who left the benefit for employment (86%) were working more than 30 hours per week - that is, in full-time employment.

[119] Non-beneficiary assistance such as the Accommodation Supplement and Disability Allowance are targeted at low-income earners.

- the financial benefits of part-time employment appear limited. Those who moved into part-time work tended to have lower average hourly rates of pay than those who moved into full-time work. Part-time workers noted that the start-up and on-going costs of work, as well as loss of income due to debt or abatements, made part-time work only of marginal financial value.

There appeared to be two key factors affecting the extent to which sole parents gain financially from moving into work. These were:

- the costs of entering employment. Childcare was a key cost for sole parents in employment
- the level of debt sole parents incurred prior to employment. In the survey of sole parents who left the benefit for employment, 18% stated that more than 25% of their income after tax and DWI repayments was currently used for other types of debt repayment (e.g. credit cards, bank loans, but excluding mortgages and child maintenance). Māori were more likely to report higher levels of debt. Of concern was the finding that there was little awareness amongst staff interviewed of the 91-day debt freeze once sole parents exit the benefit.

Sole parents' movement into employment and off the benefit did appear to be beneficial for many children and families, but their circumstances were fragile and their resources to deal with changes were limited.

In the survey of sole parents who moved off the benefit and into employment, 60% of respondents reported that the overall effect on their families of their obtaining paid work was positive or very positive, with only 4% describing the overall effect as negative or very negative.

However, those in employment, especially those in full-time employment, were continually seeking to manage the tension and requirements of home and employment, and recognised that the costs of paid work may exceed the benefits. Their circumstances were fragile and their resources to deal with changes (e.g. failure in childcare, health issues, job changes) in these circumstances were limited. Concern that their children's emotional, social and educational well-being was suffering, along with insufficient income to care for their children, were key reasons why people applied for, stayed on, and returned to, the benefit.

6.3.1 Implications arising from the findings on outcomes for DPB and WB recipients

The findings on outcomes experienced by sole parents and their families following the DPB and WB reforms implemented in February 1999 have raised the following implications:

- while there was evidence to suggest that exits did increase following the 1999 reform changes, the implementation of the reforms was performed to a variable degree, and the effect being tested was not clear. It is likely that knowledge of the changes had a stronger effect than actual implementation (refer section 4)
- Māori and Pacific Peoples exit rates from the DPB, while increased, were consistently below those of Others and Pākehā. This raises questions about the effective tailoring of reforms for Māori and Pacific recipients. The type of assistance Māori and Pacific Peoples receive to move into employment should be examined
- the significant minority of sole parents involved in work outside standard hours and/or non-permanent work raises questions about work availability. Those with a youngest child aged over 14 years seemed more likely to be involved in work outside standard hours and/or non-permanent work. There was also some suggestion in the qualitative study that some participants felt pressured to take on any type of full-time work for fear of having sanctions applied to them
- the significant minority of sole parents involved in non-permanent work also has implications for the process by which DPB and WB recipients move on and off the benefit. As mentioned earlier, certainty of income was particularly important for sole parents
- sole parents' movement into employment was not necessarily a straightforward path from no employment to part-time employment to being off the benefit and in full-time employment. This has implications for the development of policy based on assumptions about sole parent beneficiaries' movement into employment, and for the type of assistance available to sole parents

- the availability of suitable childcare was raised as an issue on numerous occasions in most of the evaluations. Without access to safe, affordable childcare at the times it was required, sole parents were constrained in their ability to:
  - enter employment or take on more hours
  - sustain employment
  - participate in education and training

  Childcare was a particular issue for those working non-standard or variable hours. This raises questions about the availability of suitable childcare and the Government's role in providing that care.
- the majority of those who moved off the benefit into employment reported that they were financially better off as a result of the move. However, the financial benefits of employment can take some time to accrue. This raises a number of implications:
  - sole parents' participation in paid employment is likely to lead to improvements in the financial circumstances of sole parent families, as long as the employment is sustainable
  - financial support to sole parents when they first move off the benefit and into employment is important
- debt can significantly undermine the financial status of sole parents who move into employment. Māori and Pacific participants have higher median levels of debt and lower median levels of income. In some cases, sole parents suggested they got into debt because of miscalculations in DWI or IRD entitlements. This raises questions as to what information is provided to sole parents by IRD and DWI, how these agencies calculate entitlements and the process for calculating entitlements (e.g. reporting unexpected weekend work in time for inclusion in calculations)
- it is well documented that obtaining post-school qualifications is positively associated with higher earnings. This raises implications regarding:
  - the importance of assisting sole parents to access further education
  - the need to better understand the type of education and training that makes a difference.

7. Retention and sustainability of employment outcomes

The retention of employment positions is an issue of key concern to this evaluation. Evidence indicates that a notable number of DPB recipients cycle in and out of employment and benefit receipt. This indicates that some sort of struggle exists for sole parents to find and keep flexible paid work which adequately accommodates their family responsibilities.

This section:

- briefly outlines existing data on the duration of people in receipt of the DPB and WB
- provides findings on the aids and barriers to retention, including specific issues for part-time and full-time workers and the effect of ethnicity
- discusses the level of assistance OSCAR and the Post-Placement Support Pilot have given to employment sustainability.

7.1 Data on duration

Point-in-time administrative data on the average duration of benefit receipt by DPB and WB recipients is presented in Table 77. This table shows the average configuration of time in receipt of the DPB and WB at any given time. Therefore, between June 1996 and April 2001 it could be expected at any given time for there to be approximately 27% of DPB recipients having received the DPB for less than a year at that point and for 26% to have already received the DPB for over five years.

Table 77: DPB and WB recipients by duration of benefit receipt

Benefit duration[1]	*DPB (% to Total)*[2]	*WB (% to Total)*[2]
6 months or less	15%	10%
>6 months to 12 months	12%	9%
>1 year to 2 years	18%	14%
>2 years to 3 years	13%	11%
>3 years to 5 years	16%	16%
>5 years	26%	40%

1: Duration of benefit receipt is current for the month rather than duration upon exit.
2: Average number per month of DPB and WB recipients for the period June 1996 - April 2001. DPB at 109,433 recipients per month and WB at 9,269 recipients per month.
SOURCE: DWI administrative data, 2001

Wilson (1999) analysed the 1993 cohort of the Benefit Dynamics data set, in terms of benefit duration over time. She found that just over 50% of DPB recipients from the 1993 cohort who moved off benefit and into work returned to benefit within two and a half years. Additionally, 57% of the cohort were still in receipt of benefit five years after their 1993 benefit had been granted. However, few had received the DPB continuously throughout this time. Most of those whose total duration exceeded three years had periods off benefit. For WB recipients, those who left to partner or re-partner were more likely to stay off benefit. Analysis of the cohort indicated that the presence and age of children appeared to be an important factor in determining long-term or repeated receipt. Those with children were approximately twice as likely as those without to have a long first spell and a long total duration. Having a youngest child aged under six years substantially increased the probability of a long total duration, and slightly increased the probability of a long first spell and the probability of multiple spells.

Wilson (1999) also found that Pacific recipients with a very young child were less likely than other ethnic groups to have a long total duration. She notes that this finding may be partly explained by the relatively high rates of full-time employment among Pacific sole mothers with younger children. Thirteen percent

of Pacific sole mothers with a child aged under five were in full-time employment at the 1996 Census compared with the combined "all ethnic groups" average of 11%.[120]

Twenty-nine participants within the Qualitative Outcomes Study retained or increased their employment status within the one year between phase 1 and phase 2 interviewing. Five participants, however, moved out of part-time paid employment to no employment within the year of the Qualitative Outcomes Study. Table 78 below shows the extent of movement in paid work status between the two phases of interviewing.

Table 78: Paid work status over phase 1 and phase 2 by age of youngest child

Paid Work Status	*5 years or less*	*6 – 13 years*	*14+ years*	*Total*
Not employed – Not employed	9	3	5	17
Part-time – Not employed	2	2	1	5
Not employed – Part-time	4	1	0	5
Not employed – Full-time	1	1	2	4
Part-time – Part-time	1	6	2	9
Part-time – Full-time	0	0	2	2
Full-time – Full-time	2	8	8	18
Total	19	21	20	60

SOURCE: Qualitative Outcomes Study, 2001

7.2 Aids and barriers to employment retention

7.2.1 Barriers to retaining paid employment

Key barriers to retaining employment were universally identified and agreed across all of the studies within the DPB and WB evaluation strategy. The convergence of these key themes allows considerable confidence in these findings. However, it is not possible to provide definitive information about the degree of impact or the influence of multiple factors on employment sustainability.

In brief, one of the most significant barriers for sole parents' retention of employment was childcare. The affordability of, and access to, childcare was cited repeatedly as a primary issue impacting on the sustainability of paid employment for those with youngest children under age 14. Childcare was also an issue for sole parents with older children, but was most prohibitive for the younger age groups due obviously to their age and to the legal requirement for parents with children under the age of 14 to arrange appropriate supervision for them in their absence. Flexible and appropriate labour market opportunity was also cited as a key issue for sole parents. Sole parents require employment that they can get to easily, allows them to work within school hours, and allows them to care for their children when sick and, for some, during the school holidays where holiday programmes either aren't accessible or aren't affordable. A further issue raised repeatedly by participants was inadequate remuneration. There were often significant additional expenses in taking on work, which was, for many, not offset by an improved wage. This was compounded by the requirement to pay off debt when leaving the DPB and WB. These and further issues are discussed below in more depth.

In the Qualitative Outcomes Study, over the space of one year, five participants returned to the DPB after being in part-time work. The decision not to maintain part-time work involvement for the five recipients reflected a number of different factors including:

- employment conditions, opportunities and pay
- costs of paid work

[120] Statistics New Zealand, 1996 Census, unpublished tables.

- impacts of paid work on benefit status and compliance
- involvement in training
- difficulties managing childcare or child supervision and paid work obligations
- difficulties managing other familial obligations and paid work obligations.

In the survey conducted with those who had left the benefit for employment and retained that employment, 1,016 people were interviewed. A small number (11) of those approached to participate in this survey had since returned from paid work back onto the DPB. The reasons cited for returning to the DPB closely align with the reasons cited above from the Qualitative Outcomes Study (e.g. financially better off on the DPB; position was temporary/short-term; wanted/needed to spend more time with children; position unsuitable; hours too long, work environment unpleasant; work too far from home/too expensive to travel).

Respondents in the survey of those who had left the benefit for employment cited a range of factors that made it difficult for them to stay in work **(refer to Table 82 in section 7.3)**.

Childcare was identified as a primary, if not most critical, barrier for participants' movement into work. Key issues identified include:

- respondents with very young children (under six years of age) were significantly more likely to find it difficult to stay in work than those with children 14 years of age and over
- a lack of time to spend with children (29%), finding childcare difficult to arrange (21%), difficulties with children such as illness or misbehaviour (19%), and the high cost of childcare (16%) were the most frequently mentioned barriers to staying in work
- less time to spend with children (46%), less opportunity to be involved in children's activities (22%), and more concern/worry about the well-being of children (13%) were the most frequently mentioned drawbacks of the leaving the DPB for work. These were particularly frequently mentioned by those with younger children (under 14 years of age)
- those with younger children were more likely to describe the overall effect of their move into work as having both positive and negative aspects than those with older children.

Other difficulties mentioned were low pay and the high cost of travel or lack of transport.

Findings from the evaluation of the Post-Placement Support pilot align with the retention issues faced by respondents of the DPB survey and of the Qualitative Outcomes Study. The Post-Placement Support pilot evaluation found many PPS shared concerns that threatened their ability to remain in employment, particularly:

- financial transition, especially delays in IRD assistance
- budgeting between last benefit and first wage payments
- managing debt repayments
- instability of employment, particularly unexpected reductions in hours
- behavioural issues with children, particularly teenagers.

Security of employment conditions was a key issue. Many PPS clients cancelled their benefit for employment they believed would allow them to support themselves and their families (full-time, permanent), but soon found that their hours were reduced, or that the job disappeared.

7.2.1.1 Barriers to retaining part-time work

Financial disincentives to part-time work

Part-time workers in the Qualitative Outcomes Study who left part-time employment and returned to the benefit noted that the start-up and on-going costs of work, as well as the loss of income due to debt or abatements, made part-time work only of marginal value. On-going costs included transport and childcare. Unlike those in full-time work, those in part-time work tended to retain their DPB and WB. As a consequence, they were less concerned with the risk that entry into paid work might mean for a

sustained income. The loss of part-time work was perhaps also of less concern because the financial benefits of part-time work were relatively muted compared to entry into full-time work: *"Had the job for three months. No, work did not suit me because I had to pay for travelling, fuel costs and had no babysitters. [Financially] it affected me badly because the costs of getting to work – travel from Manurewa to the city. I was paid monthly so I had to cover my fuel, travel, babysitting costs myself [from the DPB] because pay was monthly. Pay just managing on a basic budget."* (Māori DPB 0-5 yrs, Qualitative Outcomes Study, 2001)

"[I] need to earn $300 a week for full-time supplemented by child support and income assistance. It would be difficult budgeting so part-time would be preferable. Need more subsidies for childcare to get us on our feet." (Other DPB 0-5 yrs, Qualitative Outcomes Study, 2001)

Some participants simply stated that the rates of pay they were getting had been too low and they found it impossible to access higher-paid jobs.

"Applied for jobs – some I haven't had an interview for. Time consuming to apply. Disheartening [I've] stopped applying. No help from WINZ Case Manager suggesting unskilled/wrong jobs. [I] worked for a mother [as housekeeper] who could only afford to pay $120 a week. [I] often worked up to 30 hours for that – only advantage was the chance to get out of the house. Won't consider low-paid jobs". (Other Widow 7-13yrs, Qualitative Outcomes Study, 2001)

"[Paid work] was not realistic for me. Always tried to better myself by looking for part-time work, different from those suggested by WINZ. Often the jobs they help you to find are underpaid, it is better off staying on the DPB." (Pacific DPB 14+ yrs, Qualitative Outcomes Study, 2001)

Inflexible work hours

Four of these five recipients were explicitly concerned with the hours required of them in the jobs available to them. One of the recipients was working from 5pm to 10pm five nights a week. Pressure to extend those hours until midnight made her leave the job, particularly because of the travel time involved.

Two others found that their employers often required extended attendance on the job on a casual basis. This often meant difficulties in securing childcare and, in some cases, reduced hourly rates. Another in casual work found that after having been unable to make herself available for work when asked on one occasion, she had been put at *"the bottom of the list"* for work hours.

Compliance issues

Part-time workers raised concerns about compliance requirements with DWI and IRD. The impact of casual work on the burden of reporting was a major issue, particularly when participants were striving to minimise contact with DWI: *"Got tired of being hassled by WINZ. Whenever I find a part-time job I am required to report what my income was and my hours worked."* (Pacific DPB 14 + yrs, Qualitative Outcomes Study, 2001)

"[I] was taxed at a secondary rate when previously employed so I gave up work." (Other DPB 0-5 yrs, Qualitative Outcomes Study, 2001)

"I just try to keep a low profile with WINZ. They don't really help and I just don't want to have to make contact with them in case they push me to do things I just can't do." (Other DPB 7-13 yrs, Qualitative Outcomes Study, 2001)

7.2.1.2 Barriers to retaining full-time work

The barriers faced in the retention of part-time and full-time work were similar. Of particular note are the increased costs faced by participants once they were in paid work, and these had the most profound impact when sole parents had exited the DPB and were primarily reliant on their earnings from employment. These costs included:

- increased transport costs – participants in rural areas and in Auckland found these particularly onerous. For those in rural areas, the lack of public transport meant that some participants needed to buy cars or upgrade their vehicle. Both operating and maintenance costs increased. Those able to use public transport can find that although overall costs go up the unit price of their transportation went down. The major problem for participants in relation to public transport were travel times and managing the transport timetable to allow them to meet their work and family commitments
- increased childcare costs – childcare costs rose from part-time to full-time hours
- increased personal costs – the costs of developing an appropriate wardrobe for participants who had been on the DPB and WB for any length of time was significant. Participants pointed out that the benefit levels were such that most clothing was second hand, old, casual and not to the standard required by employers. Some participants had to purchase uniforms provided by employers
- Other costs – these included provision of fees, materials and books for those in education/training. Some participants in paid work found that they also had to provide a range of materials. This was particularly common with those in teaching positions and undertaking piecework such as sewing and box making.

Typically, participants in work confronted a multiplicity of cost increases from several sources. Some of the participants managed those increased costs by incurring increased levels of debt. For the full-time working participants who had been in that position since the first interview, this was managed through commercial credit facilities, and/or through borrowing from relatives.

It is notable that participants not only commented on the costs associated with their own paid work. Participants often also required transport and clothing for older children entering the workforce or undertaking further education – adding to the financial pressures on the sole parent.

7.2.2 Factors supporting retention

The corollary to the factors cited by respondents as barriers to retaining employment are equally important as factors supporting retention. Two primary areas: financial advantage and adequate childcare arrangements, were cited repeatedly as key issues contributing to the retention of paid work. This section does not divide up the factors supporting retention for part-time and full-time work, as our data does not suggest that the factors themselves vary greatly, although it is likely that their significance for work retention does differ. As discussed in the section on barriers, a notable difference between part-time and full-time workers is the degree of risk they confront when they take on paid employment. For the part-time worker there was a greater level of confidence about the move into employment as they were still in receipt of a benefit. For the full-time worker, however, the stakes were deemed a lot higher as they were removing themselves from the known quantity of benefit receipt, to a potentially unstable and uncertain labour market.

The majority of our information on factors supporting retention came from the survey of sole parents who had left the DPB for employment. It is important therefore to note that respondents in this survey were selected on the basis that they had "retained work", and therefore they are not a representative group of the total ex-beneficiary population. Following are some broad perspectives from this group on retaining paid employment:

- just under half of all respondents (46%) stated that it had been easy to stay in work, while only 8% stated that staying in work was difficult for them
- almost two-thirds (64%) described themselves as financially better off as a result of moving into work, while only 16% described themselves as financially worse off
- three in five respondents (60%) described the overall effect on their family of their moving into work as positive, while only 4% described the effect on their family as negative.

Moving into work was a positive experience for most but it was not solely for financial reasons. For example:

- respondents were more likely to state that the desire to be off the DPB (42%) and having interesting or rewarding work (38%) had made it easier to stay in work than earning more money/having more to spend (33%)

- improved self-esteem (56%) and greater independence/self-sufficiency (38%) were more likely to be cited as benefits of moving into work than higher household income/more money (35%) (Table 79).

Table 79: Benefits of leaving the DPB for work (%)

Benefits of Leaving the DPB for Work	*Total Sample (n=1,016)*
Improved self-esteem/feel better about myself	56
Greater independence/self-sufficient	38
Higher household income/more money	35
Enjoy the work I am doing	30
Meeting more people/making friends	24
Learning new things/training/education	20
Time outside home/away from family	20
Provides a role model for my children	12
Less stigma from family/friends/public/employers	11
Get ahead financially/pay off debt	8
Children more independent	7
Makes children feel "normal" – having parent that works	5
Not accountable to DWI/cut contact with DWI	4
Less stressful home environment	2
"Luxury" items for children	2
Personal satisfaction	1
Appreciate child(ren) more	1
Nothing – no benefits	6
Don't know	1

Base: All respondents.
Note: Multiple responses to this question encouraged. Consequently the columns may total more than 100%.
Significant differences are reported at the 95% confidence interval.
Table lists those reasons mentioned by five or more respondents.
SOURCE: Survey of sole parents who left the benefit for employment, 2001

Refer to section 7.3 for information on factors supporting retention by age of youngest child and ethnicity.

7.2.2.1 Interventions that assist retention

There were two interventions that were designed to assist sole parents to retain employment. These were the Post-Placement Support (PPS) pilot and Out of School Care and Recreation (OSCAR) subsidy.

Post-placement support pilot (PPS)

The Post-Placement Support Pilot was identified as offering helpful services for the transition to, and retention of, employment. Participants in the PPS evaluation indicated that the PPS services they found most useful in supporting them to stay in employment were:

- information about, and assistance to access, DWI supplementary (non-beneficiary) assistance, such as the Accommodation Supplement and Childcare Subsidy
- information about help to access "Transition to Work" assistance available both specifically for DPB sole parents (such as the Net payment) and more generally for DWI clients moving into employment (such as the Work Start Grant)
- assistance to find alternative employment when their initial position ended unexpectedly or was found to be unsustainable.

Out of School Care and Recreation subsidy (OSCAR)

There are a number of indications that the availability of the OSCAR subsidy is contributing to both increased employment and retention of employment:

- three-quarters of the 1,240 respondents in the OSCAR Parent Survey reported that they were in paid employment at the time of surveying, however only just over half these respondents were in employment prior to receiving the OSCAR subsidy
- over a quarter of the 656 respondents to the OSCAR Parent Survey who were in paid employment prior to taking up the OSCAR subsidy experienced an increase in their work hours.

Additionally, parents repeatedly reported that the OSCAR subsidy was a critical contribution to the affordability of OSCAR services.

There has been very low take-up of the OSCAR subsidy by parents (refer to the section on implementation/test of concept for more information on how OSCAR was operationalised). However those parents using the OSCAR subsidy have found that it does make OSCAR services more affordable. There do remain significant problems of supply as well as retention of OSCAR providers, however.

7.3 Differences in sustainability of employment by age of youngest child and ethnicity

7.3.1 Age of youngest child and sustainability of employment

The survey of sole parents who left the benefit for employment found:

- that those with the youngest child aged 14 years and over were significantly more likely to state that it had been easy to stay in work (58%), while those with the youngest child under six were significantly more likely to state that staying in work had been difficult (10%) (Table 80)
- the importance of childcare availability to the ease of staying in work was evident, with respondents with the youngest child 13 years or under significantly more likely to mention having an employer who was understanding of childcare issues (24% and 19%, compared with 10% of those whose youngest child is aged 14 years or over)
- those with children under 13 years were also more likely to mention support from family and friends (20% and 18%, compared with 9% of those whose youngest child is 14 years and over), and having suitable childcare available (12% and 6%, compared with 0% of those with children 14 years and over). Respondents with children under six years of age were also more likely to mention financial assistance provided by DWI (9%) (Table 81).

Results by the age of the youngest child show the strong impact of childcare difficulties. Respondents with the youngest child under six (25%) or between 6 and 13 years (23%) were significantly more likely to mention difficulties arranging childcare compared with respondents with the youngest child 14 years and over (5%). Respondents with younger children were also more likely to mention the high cost of childcare (23% and 15%, compared with no respondents with the youngest child aged 14 or over), and a lack of availability of childcare (15% and 13%, compared with 2% of respondents with the youngest child aged 14 or over) (Table 82).

Table 80: Ease or difficulty of staying in work (%) - (by age of youngest child)

	Total Sample (n=1,016)	*Child < 6 Years (n=342) A*	*Child 7-13 Years (n=471) B*	*Child 14 Years + (n=203) C*
Easy to stay in work	46	46	43	58 ↑AB
Difficult to stay in work	8	10 ↑C	7	4
Both easy and difficult to stay in work	45	44	49 ↑C	37
Don't know	1	0	1	1

Base: All respondents.

Significant differences are reported at the 95% confidence interval.

SOURCE: Survey of sole parents who left the benefit for employment, 2001

Table 81: What has made it easy to stay in work? (%) - (by age of youngest child)

	Total Sample (n=924)	*Child < 6 Years (n=305) A*	*Child 7-13 Years (n=427) B*	*Child 14 Years + (n=192) C*
Desire to be off DPB/stigma of being beneficiary	42	39	44	47
Interesting/rewarding work	38	39	38	43
Earning more money/have more to spend	33	33	33	32
Employer understanding of childcare issues	20	24 ↑C	19 ↑C	10
Supportive/understanding colleagues	18	19	18	13
Support of family/whānau/friends/neighbours	17	20 ↑C	18 ↑C	9
Stable/secure industry	17	20	17	13
Flexible working hours	12	14	12	10
Suitable childcare available	7	12 ↑BC	6 ↑C	0
Financial assistance provided by WINZ/DWI	5	9 ↑BC	4	2
Sense of choice/self-determination/independence	2	3	3	2
Something to get up for	1	2	1	0
Have goals/objectives/motivation	1	2	1	0
Desire to work	1	2	1	2
Financial assistance provided by other organisations*	1	1	1	2
Suitable qualifications/training	1	1	1	1
Working in similar environment to previous work	1	1	1	1
People/adult contact	1	1	1	1
Reliable transport	1	1	1	0
Work close to home	1	0	2	2
Greater self-esteem	1	0	2	1
Children old enough to be independent	1	0	1	3
Don't know	2	1	2	2

Base: Those stating they have found it easy to stay in work since leaving the DPB, or at least some aspects have been easy.
Note: Multiple responses to this question encouraged. Consequently the columns may total more than 100%. Significant differences are reported at the 95% confidence interval. Table lists those reasons mentioned by five or more respondents. * Note: These other organisations/individuals providing financial support include: Inland Revenue (n=15); partner (n=2); training institution (n=1); and other family members (n=1).
SOURCE: Survey of sole parents who left the benefit for employment, 2001

Table 82: What has made it difficult to stay in work? (%) - (by age of youngest child)

	Total Sample (n=523)	*Child < 6 Years (n=186) A*	*Child 7-13 Years (n=260) B*	*Child 14 Years + (n=77) C*
Lack of time to spend with children	29	27	30	28
Childcare difficult to arrange	21	25 ↑C	23 ↑C	5
Difficulties with children – illness, misbehaviour etc	19	24	17	16
High cost of childcare	16	23 ↑BC	15 ↑C	0
Low pay	13	16 ↑B	10	20 ↑B
Lack of availability of childcare	12	15 ↑C	13 ↑C	2
High cost of travel/lack of transport	10	12	9	4
Inflexible working hours	8	7	9	6
Too much variation in hours/shift work unsuitable	7	5	9	8
High cost of personal items for work	5	7	4	3
Trying to pay off large debt from advances	5	5	5	9
Lack of regular hours	5	4	5	10
Lack of support from family/whānau/friends	5	2	5 ↑A	11 ↑A
Lack of reliable/safe/trustworthy childcare	4	4	5	4
Uncertainty of labour market (relative to benefit)	4	2	5 ↑A	8 ↑A
Early start time at work	3	6 ↑B	1	1
Exhaustion	3	4	3	4
Long hours	3	4	2	3
Lack of support from DWI*	3	3	2	2
Personal illness/physical injury	2	4 ↑B	0	7 ↑B
Difficulties balancing work and childcare	2	3	2	7 ↑B
Emotional stress	2	2	2	2
Maintaining house (chores)	2	2	2	4
Other family/whānau commitments	2	1	3	5 ↑A
Financially worse off than on DPB	2	1	2	2
Long wait for Family Support	2	0	3	0
General financial problems	1	2	0	0

Table 82 (Continued)

Employer not understanding of needs	1	1	2	2
Don't enjoy job/not in preferred industry	1	1	1	1
No holiday/sick pay	1	1	1	1
Don't know	1	1	2	0

Base: Those stating they have found it difficult to stay in work since leaving the DPB, or at least some aspects have been difficult.

Note: Multiple responses to this question encouraged. Consequently the columns may total more than 100%.

Significant differences are reported at the 95% confidence interval.

Table lists those reasons mentioned by five or more respondents.

* Note: Support from the Department of Work and Income that respondents report was lacking includes: child subsidies (n=8); housing/accommodation (n=4); general information (n=2); compassion and understanding for situation (n=2); legal aid (n=1); Employment Transition Grant (n=1); Special Needs Grant (n=1); and Community Services Card (n=1).

SOURCE: Survey of sole parents who left the benefit for employment, 2001

7.3.1.1 Ethnicity and sustainability of employment

The survey of sole parents who left the benefit for employment found that:

- there were no statistically significant differences in the ease of staying in work by ethnicity (Table 83)
- Māori respondents are significantly more likely to mention the benefit of greater independence/self-sufficiency (39%) than Pacific Peoples (15%), and more likely to mention enjoying the work they are doing (34%) than Other respondents (27%). Māori respondents are also more likely to mention learning new things/training/education as a benefit of leaving the DPB (24%) than Other respondents (18%). Pacific Peoples are significantly more likely to mention getting ahead financially as a benefit of leaving the DPB (17%, compared with 8% of Māori and 7% of Other respondents) (Table 84)
- Other respondents were significantly more likely to mention the higher cost of childcare (20%, compared with 11% of Māori). Māori respondents were more likely to mention a lack of regular hours (9%) than Other respondents (4%) were, this latter result being consistent with results presented earlier suggesting Māori were less likely to be in permanent work (Table 85).
- Pacific Peoples respondents were significantly more likely to mention earning more money (52%) and having the support of family and friends (33%) than Māori (36% and 20%) and Other respondents (30% and 15%). Pacific Peoples were also more likely than Other respondents to mention supportive/understanding work colleagues (26%, compared with 16% of Other respondents) (Table 86).

Table 83: Ease or difficulty of staying in work (%) - (by ethnicity)

	Total Sample (n=1,016)	*Māori (n=267) A*	*Pacific Peoples (n=106) B*	*Other (n=643) C*
Easy to stay in work	46	45	51	47
Difficult to stay in work	8	7	11	8
Both easy and difficult to stay in work	45	47	37	45
Don't know	1	1	1	0

Base: All respondents. Significant differences are reported at the 95% confidence interval.

SOURCE: Survey of sole parents who left the benefit for employment, 2001

Table 84: Benefits of leaving the DPB for work (%) - (by ethnicity)

	Total Sample (n=1016)	*Māori (n=267) A*	*Pacific Peoples (n=106) B*	*Other (n=643) C*
Improved self-esteem/feel better about myself	56	56	59	55
Greater independence/self-sufficiency	38	39 ↑B	15	38
Higher household income/more money	35	39	43	33
Enjoy the work I am doing	30	34 ↑C	38	27
Meeting more people/making friends	24	27	31	23
Learning new things/training/education	20	24 ↑C	26	18
Time outside home/away from family	20	23	22	19
Provides a role model for my children	12	16 ↑C	13	10
Less stigma from family/friends/public/employers	11	13	8	10
Get ahead financially/pay off debt	8	8	17 ↑AC	7
Children more independent	7	8	3	6
Makes children feel "normal" – having parent that works	5	6	4	4
Not accountable to DWI/cut contact with DWI	4	5	2	4
"Luxury" items for children	2	2	0	1
Less stressful home environment	2	1	3	3
Personal satisfaction	1	1	0	1
Appreciate child(ren) more	1	0	0	1
Nothing – no benefits	6	5	3	7
Don't know	1	0	2	2

Base: All respondents.

Note: Multiple responses to this question encouraged. Consequently the columns may total more than 100%.

Significant differences are reported at the 95% confidence interval. Table lists those reasons mentioned by five or more respondents.

SOURCE: Survey of sole parents who left the benefit for employment, 2001

Table 85: What has made it difficult to stay in work? (%) - (by ethnicity)

	Total Sample (n=523)	*Māori (n=135) A*	*Pacific Peoples (n=56) B*	*Other (n=332) C*
Lack of time to spend with children	29	26	45 ↑A	29
Childcare difficult to arrange	21	24	28	20
Difficulties with children – illness, misbehaviour etc	19	18	29	19
High cost of childcare	17	11	8	20 ↑A
Low pay	13	11	11	14
Lack of availability of childcare	12	12	14	12
High cost of travel/lack of transport	10	12	9	9
Inflexible working hours	8	7	8	8
Too much variation in hours/shift work unsuitable	7	6	5	8
Lack of regular hours	5	9 ↑C	4	4
Lack of support from family/whānau/friends	5	6	6	4
Trying to pay off large debt from advances	5	5	3	5
High cost of personal items for work	5	3	1	6
Lack of reliable/safe/trustworthy childcare	4	7	3	4
Uncertainty of labour market (relative to benefit)	4	3	8	4
Long hours	3	3	4	3
Exhaustion	3	3	1	3
Early start time at work	3	1	2	4
Difficulties balancing work and childcare	2	3	2	3
Other family/whānau commitments	2	2	1	3
Lack of support from DWI*	2	2	0	3
Emotional stress	2	2	0	2
Financially worse off than on DPB	2	2	0	2
Long wait for Family Support	2	2	0	2
Personal illness/physical injury	2	1	5	3
Maintaining house (chores)	2	1	0	3
General financial problems	1	3 ↑C	0	0

Table 85 (Continued)

Employer not understanding of needs	1	2	2	1
No holiday/sick pay	1	1	0	1
Don't enjoy job/not in preferred industry	1	0	0	1
Don't know	1	1	0	2

Base: Those stating they have found it difficult to stay in work since leaving the DPB, or at least some aspects have been difficult.
Note: Multiple responses to this question encouraged. Consequently the columns may total more than 100%.
Significant differences are reported at the 95% confidence interval.
Sample size for Pacific Peoples is small – consequently, results for this group should be considered indicative only.
Table lists those reasons mentioned by five or more respondents.
SOURCE: Survey of sole parents who left the benefit for employment, 2001

Table 86: What has made it easy to stay in work? (%) - (by ethnicity)

	Total Sample (n=924)	*Māori (n=243) A*	*Pacific Peoples (n=92) B*	*Other (n=589) C*
Desire to be off DPB/stigma of being beneficiary	42	46	43	41
Interesting/rewarding work	38	40	45	38
Earning more money/have more to spend	33	36	52 ↑AC	30
Employer understanding of childcare issues	20	22	23	18
Supportive/understanding colleagues	18	20	26 ↑C	16
Support of family/whānau/friends/neighbours	17	20	33 ↑AC	15
Stable/secure industry	17	17	23	17
Flexible working hours	12	12	13	13
Suitable childcare available	7	10	2	7
Financial assistance provided by WINZ/DWI	5	6	2	6
Sense of choice/self-determination/independence	2	1	0	3
Working in similar environment to previous work	1	2	0	1
Greater self-esteem	1	1	2	0
Something to get up for	1	1	1	1
Have goals/objectives/motivation	1	1	1	2
Reliable transport	1	1	1	0
People/adult contact	1	1	1	1
Work close to home	1	1	0	2
Children old enough to be independent	1	1	0	1
Desire to work	1	0	1	2
Financial assistance provided by other organisations*	1	0	1	1
Suitable qualifications/training	1	0	1	1
Don't know	2	3	0	1

Base: Those stating they have found it easy to stay in work since leaving the DPB, or at least some aspects have been easy.
Note: Multiple responses to this question encouraged. Consequently the columns may total more than 100%.
Significant differences are reported at the 95% confidence interval.
SOURCE: Survey of sole parents who left the benefit for employment, 2001

In the qualitative outcomes project it was found that both Māori and Pacific Peoples had particular difficulties sustaining employment. For Māori this was associated with the casualised nature of the work available, but also with a range of other pressures. These included poor and uncertain housing, anxiety about the safety and security of their children, and, in some cases, apparent alienation and a lack of connection to paid employment norms and activities: *"It's the holidays that are the problem because I can't afford a sitter. My mum helps out. But I can't always use her. So this week, for example, I've taken the week off."* (Māori DPB 7-13 yrs, Qualitative Outcomes Study, 2001)

"My family helps out but I cannot get [childcare] costs paid to family members and the childcare services are too far away from school." (Māori DPB 0-5 yrs, Qualitative Outcomes Study, 2001)

For Pacific Peoples, anxieties revolved around care of their children, and in some cases, of other family members. Problems of self-esteem were particularly apparent among Pacific women: *"Their grandmother is at home for before and after school. I make time during holidays to spend time with the kids. Either me or husband stays home when kids are sick."* (Pacific DPB 0-5 ys, Qualitative Outcomes Study, 2001)

"No I'm not looking for a job – lack of self-esteem I guess, not knowing what I want to do from here on. Happy to be at home ...Still waiting for one more operation, hopefully soon and I will work out what I can do." (Pacific DPB 7-13 yrs, Qualitative Outcomes Study, 2001)

7.4 Summary - sustainability of employment

Gaining full-time employment did not necessarily mean retaining full-time employment for DPB recipients. Ball and Wilson (2000) found that just over 50% of DPB recipients, from the 1993 cohort of those entering the DPB who moved off the benefit and into employment, returned to the benefit within 2.5 years. Analysis of the cohort indicated that the age of children appeared to be an important factor in influencing long-term or repeated benefit receipt. Having a youngest child aged under seven years substantially increased the probability of a long total duration on the benefit.

The present evaluation and monitoring strategy sought to identify key factors that assist sole parents to stay in both part-time and full-time employment and the barriers that hinder retention of employment.

Flexible and appropriate labour market opportunity was a key factor assisting sole parents' retention of employment. Sole parents with school-aged children require employment which they can easily get to, and which allows them to work within school hours. Additionally, employment hours need to be flexible so that they can care for their children when sick; and, for some, in school holidays where holiday programmes are not accessible or affordable.

Other factors associated with sole parents staying in employment, particularly full-time, were:

- a belief they were financially better off
- a belief that employment was having an overall positive effect on their family
- having heightened self-esteem from the move to employment
- having interesting and rewarding employment.

One of the most significant barriers for sole parents' retention of employment (part-time and full-time) was childcare. The affordability and access to childcare was cited repeatedly as a primary issue impacting on the sustainability of paid employment for those with youngest children under age 14. Childcare was also an issue for sole parents with older children, but was most prohibitive for the younger age groups due to their age and the legal requirement for children under the age of 14 not to be left unsupervised.

Low wages were a further barrier, and particularly crucial for those moving into full-time employment and off the benefit. There were often significant additional expenses in taking on work, which were, for many, not offset by an improved income. This was compounded by the requirement to pay off debt when leaving the DPB and WB. Low-paid employment was generally not sustainable in the long term for sole parents.

Many of the Māori and Pacific Peoples in the Qualitative Outcomes Study had particular difficulties sustaining employment. For Māori, this was associated with the casualised nature of the work available, but also due to a range of other pressures including poor and uncertain housing, anxiety about the safety and security of their children, and in some cases apparent alienation and a lack of connection to paid employment norms and activities. For Pacific Peoples anxieties revolved around care of their children and, in some cases, care of other family members.

7.4.1 Implications

The evaluation and monitoring strategy explored factors affecting the retention and sustainability of employment. The findings raised the following implications:

- the evaluation and monitoring strategy research supports the need for sole parents to be assisted to establish themselves in employment in a sustainable way. Sustainable employment was that which provided hours that allowed sole parents to manage their family responsibilities, covered additional costs associated with employment (e.g. childcare, transport) and provided medium- to long-term certainty of income. The impact of churning on and off the benefit was discussed within this evaluation, and numeric evidence, which outlines the extent of this churning, has been included. Areas that the Government could focus on for improving employment retention may include:
    - letting sole parents know about their entitlements and assistance measures before difficulties arise and then supporting access to those entitlements/assistance which will give sole parents the best opportunity to retain their employment (including measures designed to assist sole parents' transition from the DPB to employment; access to Community Services cards; assistance from the IRD)
    - the development and support of more childcare facilities, catering to a diversity of working hours
    - further research to better understand the types of education and training that are most likely to lead to sustainable employment for sole parents.

8. Outcomes for children and families

An underlying assumption behind the DPB reforms was that the well-being of children brought up in sole parent families would be enhanced by greater attachment of their parent to the labour force, the theory being that if family income increases, children will benefit.

One of the objectives of the evaluation strategy was to examine the effects of the DPB and WB reforms on the families and children of sole parent beneficiaries. However, determining the direct and indirect impacts on children's well-being is a difficult issue (Wilson et al, 1995).

This section therefore relies on qualitative information from three evaluations that together examine the effects of sole parents being in paid work on their children and families. Readers should note that the findings rely on the perspectives of parents and DWI staff, as it was not considered feasible or appropriate to interview children or families about their views or experiences.

8.1 Context in which the effects of the reforms on children and families occur

To understand how the reforms have impacted on children and families, it is useful to provide some context surrounding why sole parents applied to receive the benefit in the first place.

The qualitative outcomes research revealed that, while it is true that most of those that take up the DPB or WB have lost their partners, the circumstances that actually precipitated application for a benefit may include one, or a combination, of:

- an acute or chronic cash crisis after living off savings or insurance, other family members or low-paid work
- loss of paid employment and redundancy
- exit from, or inability to take up, paid work because of childcare obligations
- exit from, or inability to take up, paid employment because of illness: "Very shaky relationship – he was mentally ill, tried to commit suicide. Couldn't cope with the responsibilities of kids. No other source of income except 13 hours a week teacher aiding." (Other DPB 7-13 yrs, Qualitative Outcomes Study, 2001)

"I was working three days a week and could not afford to keep household costs so I applied for a benefit." (Māori DPB 7-13 yrs, Qualitative Outcomes Study, 2001)

"The cupboard was bare. Should have gone on the DPB when the marriage broke up in 1996, then I would have been able to make sensible decisions and wouldn't have lost the house. But never considered the DPB as an option – didn't want to go on it ... [I] was in a bad way, went to Income Support when the marriage broke up, said wasn't coping and they gave [me] the Accommodation Supplement. They should have suggested go on the DPB at that time but the advice wasn't forthcoming." (Other Non-DPB Employed 14+ yrs, Qualitative Outcomes Study, 2001)

"Husband died. Had some savings [so no DPB]. Went to Australia for four months' holiday to use some of the money up and for my son [who] was very upset at his father's death. Came back went on WB." (Other WB Employed 14+, Qualitative Outcomes Study, 2001)

The qualitative outcomes research noted that unpartnered pregnancy was cited by only a very small minority of the participants as a reason for DPB and WB take-up.

For some, the crisis generated by the separation or death of a partner also prompted the participants to pull out of paid work as well. The qualitative outcomes research found that 11 of the 60 participants exited paid employment around the same time that they took up the DPB and WB.

Many of the participants in the Qualitative Outcomes Study reported that they delayed applying for a benefit until they were unable to provide food for their families or pay basic bills such as electricity, mortgages or rents. A number of participants reported that they had gone into debt.

The Qualitative Outcomes Study found that most took up the DPB unwillingly. Both those who ended up on the DPB and those who received the WB were very aware of a strong social stigma against beneficiaries but put this aside when they applied because of what they believed were their children's needs. They were hesitant to pass childcare over to strangers or indeed to other extended family members for extended periods. Participants saw their children as already disadvantaged by the loss of one parent. That sense of stigmatisation and the tension between what they saw as their self-respect and the needs of their children was perhaps somewhat less severe among the widowed than those who faced marital breakdown or the breakdown of de facto relationships.

Among the latter, many felt that they had been the victims of their partners' desertion, violence or inadequacy. They felt that they were often "blamed" for splitting families and becoming dependent on the state. Yet for many of the participants the other options of staying within the marriage (not an option for those who were deserted) or leaving their children without adequate care while in full-time employment (if employment was available) would be irresponsible choices detrimental to their children's well-being.

Very few of the participants in the Qualitative Outcomes Study saw the DPB and WB as providing an adequate standard of living. A number of participants sought assistance from extended family. In particular, parents – the grandparents of their children – were typified as providing some of the "added extras" for the children that the benefit recipients themselves were unable to afford.

Many of the participants in the Qualitative Outcomes Study felt that being on the DPB and WB was damaging to their own self-esteem and, in some cases, to the psychological well-being of their children. Four factors were cited by participants as contributing to those problems:

- social stigmatisation
- detachment from social networks and reciprocal relationships
- feelings of guilt and powerlessness, particularly in providing materially for their children
- distress at their living environment.

However, the experience of the DPB and WB was not entirely negative. Many of the participants believed that the DPB or WB was crucial to stabilising their own and their children's lives. Most participants emphasised that they were on the DPB or WB for the sake of their children. Nevertheless, many participants did fear that an extended period on a benefit would expose their children to long-term disadvantage.

Likewise, the impacts of a sole parent moving into employment are difficult to categorise definitively into positive or negative impacts – particularly as negative changes can sometimes be overcome through the substantial positive effects of the family moving out of poverty (Wilson et al, 1995).

8.2 Benefits for children of sole parents of the DPB and WB reforms

The greatest proportion of respondents in the survey of those who had left the benefit for employment found the move from the DPB into paid work had been a positive experience.

Findings across the evaluations suggest that participants saw two major benefits for children as a result of their moving into paid work. The first was increased disposable income for the family and the second was the positive role modelling they can provide for their children. For example, almost two-thirds (64%) of participants in the survey of sole parents who left the benefit described themselves as financially better off as a result of moving into work, while only 16% described themselves as financially worse off (

Table 67 earlier). Refer also to Table 79 earlier which outlines the benefits sole parents identified from being in employment and off the benefit.

Likewise, parents in the PPS study reported they were now able to provide their children with small treats: *"My confidence and self-esteem has improved – me working is good for my children to see. It's about having a job that suits me and we have choices."* (Māori employed 0-5 yrs, Qualitative Outcomes Study, 2001)

This finding is supported by a synthesis of five large-scale studies that examined the effects on children of different employment-based welfare and antipoverty programme (Morris et al, 2001). This literature suggests that children benefited most where programme included earnings supplements, which increased both parental employment and income. The benefits to children included higher school achievement, reduction of behavioural problems, increased positive social behaviour and/or improved children's overall health.

Other studies have shown that where parents enter employment, but experience little increase in income, there appears to be no positive effect for the family to balance the potential harmful impacts (Federman et al, 1996; Wilson et al, 1995).

8.2.1 Effects of the DPB and WB reforms on the children of sole parents by age of youngest child

Respondents with a youngest child aged 14 years or over were more likely to rate the overall effect on the family as positive (46%, compared with 40% of respondents with a youngest child 7-13 years, and 36% of those with a youngest child under seven years of age). This is most likely related to teenage children being more independent and less demanding and parents consequently feeling less anxiety about being in paid work. However, DWI staff noted that some teenage children require just as much, if not more, supervision than younger children.

Respondents with a youngest child aged under 14 years of age were more likely to describe the overall effect on their family of moving from the DPB as having both positive and negative aspects (31% and 27%, compared with 21% of those with a youngest child aged 14 years or over).

8.2.2 Effects of the DPB and WB reforms on the children of sole parents by ethnicity

The survey of sole parents who left the benefit for employment showed that Māori respondents were significantly more likely to rate the effect on the family as very positive (32%) than Pacific Peoples (19%) and Other respondents (16%). This finding, however, was not noted in any of the other evaluation work.

It was not clear why Māori (and those living in South Auckland) were more likely to report they were a lot better off once they moved into employment. However, it may reflect the comparatively worse financial situation of these respondents prior to moving off the benefit – making any increase in income more noticeable. The Qualitative Outcomes Study found that Māori participants appeared to be experiencing the most unsafe and fluid living environments, including poor, insecure and crowded housing and unsafe neighbourhoods. Alternatively, for Māori, it may reflect lower childcare costs brought about by the higher use of family for childcare.

8.3 Detrimental effects for children of sole parents of the DPB and WB reforms

8.3.1 Children have less time with their parents

Across the evaluation and monitoring strategy projects, the most frequently cited problem for parents in full time employment was the enormous pressure on their time.

Of the participants in the survey of sole parents who left the benefit for employment, 46% commented that they had less time to spend with children and 22% said they had less opportunity to be involved in

children's activities. These were most frequently mentioned by respondents with children under 14 years of age (Table 87).

Table 87: Drawbacks of leaving the DPB for work (%) - (by age of youngest child)

	Total Sample (n=1,016)	*Child < 6 Years (n=342) A*	*Child 7-13 Years (n=471) B*	*Child 14+ Years (n=203) C*
Less time to spend with children	46	54 ↑BC	46 ↑C	23
Less opportunity to be involved with children's activities	22	23 ↑C	25 ↑C	9
More concern/worry about well-being of children	13	12 ↑C	16 ↑C	4
Lower household income/less money	13	12	14	10
Stress/exhaustion/health problems	11	12	10	12
Difficulties arranging childcare	8	9 ↑C	10 ↑C	3
High cost of childcare	5	8 ↑C	5 ↑C	0
Delay between coming off DPB and receiving first pay	4	4	4	3
Relative uncertainty of labour/job market	4	3	5	6
Cost/difficulties getting to and from work	4	2	5 ↑A	3
Losing the DWI safety net (e.g. regular benefit payment)	3	1	3	5
Can't take time off for illness/no sick or holiday pay	2	3	2	2
Can't work enough hours	1	1	1	6 ↑AB
Maintaining home/doing chores	1	1	1	1
No spare time	1	1	1	1
Early start time	1	1	1	1
Long hours	1	1	1	1
Time taken to receive Family Support/hassles with IRD	1	1	1	2
Loss of financial security	1	1	0	1
Loss of financial subsidies	1	1	0	2
Unsuitable hours	1	0	1	2
Too much variation in income	1	0	1	0
No prospects for development/promotion	1	0	0	3 ↑AB
Paying off debts	1	0	0	1
Don't know	1	0	1	0
Nothing – no drawbacks	31	27	30	46 ↑AB

Base: All respondents.

Note: Multiple responses to this question encouraged. Consequently the columns may total more than 100%. Significant differences are reported at the 95% confidence interval. Table lists those reasons mentioned by five or more respondents.
SOURCE: Survey of sole parents who left the benefit for employment, 2001

While this finding cannot be attributed necessarily to the DPB and WB reforms, it does highlight the difficulties faced by a sole parent who wishes to balance employment with the needs of their children.

The findings suggest that this time pressure is of particular concern to parents with young children. Respondents with the youngest child 13 or under were significantly more likely to mention:

- having less opportunity to be involved in children's activities (23% and 25% compared with 9% of those with the youngest child 14 and over)
- more concern/worry about the well-being of children (12% and 16% compared with 4% of those with the youngest child 14 and over).

By contrast, respondents with older children tend to be more focused on job-related drawbacks – particularly not being able to work enough hours (6%, compared with 1% of respondents with children 13 years and under), and a lack of prospects (3%, compared with no respondents with children 13 years and under) (Table 87).

Some participants in the evaluation of Post-Placement Support reported being too tired to prepare school lunches for children. They either gave children money for lunch or included packaged foods in their lunch boxes.

One father in the PPS study reported that he could go several days without seeing his children, as shift work and unstable hours meant that he was asleep while his children were at school and by the time they got home he was back at work.

These findings are supported by the international literature on sole parents in paid work. Presser and Cox (1997) found that work outside the home restricts time for nurturing, counselling, talking, checking homework, cleaning, shopping, cooking, sewing, meeting teachers, and caring for children when they are ill. Presser and Cox (1977) concluded that sole parents' loss of home time directly injures children's welfare. Mink (1998) identified working outside the home as compromising a sole parent's ability to attend to children's schedules and needs, thus impairing their capacity to meet their personal responsibilities as parents.

Indirect effects of parental employment, while being more numerous, are less clear in their implications. The primary effect noted is increased stress for the parent and in the home in general (Wilson, 1995; Wilson et al, 1995). In particular, parents who are working experience a type of stress authors have termed "role strain" – the conflict between competing roles as a wage earner, whose priorities lie outside the home, and a caregiver, whose priorities are in the home (Harris, 1993; Harris, 1996; Schein, 1995; Wilson et al, 1995). The effects of increased stress for the parent vary, but have been documented as changing parent/child interactions as the parent becomes less responsive to the child's needs (Longfellow, Zelkowitz & Saunders, 1982). In efforts to manage the household, sole parents, when they start working outside the home, often demand increased support and assistance from the children around the house, while they themselves have less time to help the children with the same duties (Wilson et al, 1995).

8.3.2 Children left at home unsupervised

Participants in both the Qualitative Outcomes Study and the PPS evaluations raised childcare as the biggest issue in managing the interface between work, education or training and family responsibilities. It was not uncommon, despite efforts to maintain childcare arrangements, for participants to sometimes leave children unsupervised. Parents acknowledged that they sometimes had left older children (but under the age of 14) at home alone. Additionally, older siblings in some households were required to care for younger ones.

The Qualitative Outcomes Study also commented on participants' taking work outside standard hours because it was the only work available. In these cases, there was heavy reliance on other family members

for childcare. When these care arrangements broke down, then children were sometimes left at home, unsupervised.

Respondents, including sole parents and Case Managers, also had concerns about teenage children (14 years plus) being left on their own while their parent worked. In the Qualitative Outcomes Study many sole parents regarded this age group as more demanding and more difficult to fit in with paid work, than the 7-13 age group. Case Managers also commented on the lack of OSCAR programmes for children aged 14 years or older, and the general resistance of older children to attending "kiddies" programmes where they exist: *"Sometimes it's the big kids who are more of a problem than the little ones. They're more likely to get into trouble..."* (Interviews with Case Managers, 2001)

One sole parent summed up some of the ambiguities of full-time work for them: *"Paid work has given me more self esteem – I've got some choice about what I'm doing – when you're on the benefit you've got no say. But I get very tired. It definitely affects the children because of the long hours – I had a lot of trouble with my daughter when I was working long hours. If kids are going to go off the rails they're going to do it at 14. It was scary – the 14-plus requirement did get more off. But the kids definitely suffer if you're not there for them at that age. It's been really difficult working full-time – not being there to listen about your children's day, cook meals, do the housework."* (Other Employed 14 + yrs, Qualitative Outcomes Study, 2001)

8.3.3 Concern about children's behaviour or health

A number of the evaluations reported that some parents were leaving employment to provide their children with more care and support. The qualitative outcomes evaluation reported that parents in those situations were particularly concerned about their children's behaviour and school performance: *"They [the children] were proud of Mum's job, but it was long hours (especially weekends and nights – I was massaging, kitchen working and housekeeping) and my son became very hyperactive and naughty. The kids didn't know where they were. Too much work and too crazy. Lots of travel, seven days a week – the kids became stressed out. I had to find the limits. I find others do the kitchen work and housekeeping."* (Other, 0-5 years, Qualitative Outcomes Study, 2001)

In the survey of sole parents who left the benefit for employment, 29% expressed that they had some difficulties associated with staying in paid work because of a lack of time to spend with their children. Nineteen percent of respondents said they had experienced difficulties with children such as misbehaviour or illness (Table 85 earlier).

Some parents in the PPS evaluation reported that their children became more demanding than they had ever been, wanting more of their parent's attention and becoming fractious when the parent was too tired to pay the usual attention. The PPS evaluation noted that this more demanding behaviour often sparked off a cross reaction from an already tired parent who was also missing having time both for themselves and for their children, and feeling guilty about that situation. While this is a universal issue for parents in general, it is likely to be compounded for sole parents because of their sole status.

Some parents in the PPS evaluation reported that their children became sick with vague complaints that did not require medical attention but did require a parent's attention and absence from work. For example, a Samoan woman aged 37 with two daughters aged 15 and 9 stated: *"She spoke about how her kids played up when she went back to work and how they were missing buses, turning up to school late etc because she was no longer able to drop them off at school like she used to when she was on DPB. Their grades were falling because she was now too tired to help with their homework."* (*PPS evaluation*)

8.4 Summary - outcomes for children and families

It was not possible to determine the direct (or even indirect) impacts of the reforms on children and families. Instead the evaluation and monitoring strategy focused on the impact of sole parents moving into full time employment on their children and their families. The Qualitative Outcomes Study found that sole parents believed that their participation in employment would improve the life chances of their children.

In the evaluation and monitoring strategy there was an assumption that income was an important indicator of well-being for the children and families of sole parents. It was anticipated that increased earnings would come from employment. As section 0indicated, earnings for most sole parents who left the benefit for employment improved compared to their income on the benefit. Three in five respondents (60%) in the survey of sole parents who left the benefit for employment stated that, since moving from the DPB into paid work, the overall effect on their family had been *positive* or *very positive*. By contrast, 4% described the impact on their family as *negative* or *very negative*.

There were indications that there were only marginal, if any, increases in earnings for those participating in part-time employment. However, the Qualitative Outcomes Study noted that part-time employment was one way in which sole parents were able to deal with their family responsibilities.

Where there had been an increase in family income due to employment, there appeared to be two main positive effects for families. The first was that the parent was able to provide extras for children, such as holidays. The second was that parents felt they were providing a positive role model for their child/ren. Sole parents also reported that they had improved self-esteem after entering employment and a greater sense of freedom (e.g. less tied to DWI and the requirements associated with receiving a benefit).

However, sole parents in employment, especially those in full-time employment, were continually seeking to manage the tension and requirements of home and work. They also recognised that the costs of paid work may exceed the benefits. They were constantly concerned that the delicate network of supports – families, neighbours and employers – that allowed them to continue working could be broken through events largely outside of their control (e.g. deterioration in their own, their children's or their supporters' health, changes in the employment market, or a change in the cost of living). Their circumstances were fragile and their resources to deal with changes in these circumstances were limited.

Leaving younger children in the care of older siblings was frequently reported as an outcome of employment take-up. The Qualitative Outcomes Study found that some sole parents who had moved into employment were leaving children under the age of 14 at home unsupervised, which is illegal. Many participants felt that the 14+ age group also needed a parent to be there for them or needed adult supervision. Sole parents reported increased levels of fatigue juggling employment with family responsibilities.

The Qualitative Outcomes Study found that, for some participants, moving into employment created additional stress in the family, as the parent was not able to spend as much time with their children. This was especially so for those in full-time employment. Concern that their children's emotional, social and educational well-being was suffering, along with insufficient income to care for their children, was a key reason why people applied for, stayed on, and returned to the benefit.

8.4.1 Implications arising from outcomes for children and families

The evaluation and monitoring strategy examined outcomes for families and children following the movement of DPB and WB recipients into employment. The findings from this work raised the following implications:

- family circumstances were core to sole parents' moving into employment. However their circumstances were fragile and their resources to deal with changes in these circumstances (e.g. failure in childcare, health issues, job changes) were limited. This has implications for the type of assistance available to support sole parents when those circumstances deteriorate or alter
- some sole parents with a youngest child aged 14+ years were concerned about the behaviour of their children if they were in full-time employment or obligated to find full-time employment. However, it was unclear what the size of this problem was. This is an issue that could be explored in future research and has implications for tying work test obligations to the age of youngest child
- there was some evidence of older siblings being left to care for younger siblings while their parent was in employment. This raises a number of issues (e.g. safety of care; effect on older children who may be spending long hours undertaking such work; the appropriateness of the sole parent's employment; the availability of childcare). Further exploration of this issue is required to gain an understanding of the extent of the problem.

9. Impact of the reciprocal obligations on the behaviour of DPB and WB recipients

9.1 Case Manager's perceptions of the impact on the behaviour of DPB and WB recipients

Case Managers said that there were noticeable differences in terms of attitude between DPB and WB recipients who had been on a benefit for many years and those recipients that had been in receipt for a short period of time. Case Managers believed that recipients who had received a benefit for a short time were more likely to look for paid employment when their youngest child reached the prescribed age set down in the reforms than longer-term recipients. Case Managers stated that longer-term recipients tended to be more resistant to looking for work.

Interviews with Case Managers revealed that over time, however, DPB and WB recipients had become more aware and accepting of the requirement to look for part-time and eventually full-time paid work: *"There is strong feelings amongst most of our women clients who want to 'hop off' the DPB because of the stigma...even though some of them are worse off financially when they undertake full-time work."*

As stated previously, Case Managers rarely if ever enforce the full range of sanctions of the work test regime. However, Case Managers interviewed liked that work test process as it gave them the ability to positively coerce recipients into actively looking for paid employment and/or at training options.

9.2 DPB and WB recipients' views on how the reciprocal obligations affected their behaviour

9.2.1 Perceived effects of the reforms on the behaviour of those with a youngest child under six years

The survey of sole parents who left the benefit for employment revealed that more than four in five respondents with a youngest child under six years of age, and aware of the requirement to meet with the Case Manager (83%), stated that the reforms had no effect on how they felt or what they did with respect to finding work. However, 5% stated that they started to undertake some form of education or training, and 4% stated that they started looking for full-time work. Four percent of respondents commented that the policy change placed considerable pressure on them (Table 88).

Results by ethnicity show that Māori respondents were significantly more likely to state that they started undertaking education or training as a result of the policy change (12%) than Other respondents (3%) (Table 88).

Respondents in the qualitative outcomes research generally supported planning to enter the labour market, although some who experienced the planning session required of those who have children under six it found it a waste of time.

Refer to section 4.3.2.2 – subheading DPB and WB recipients' awareness of the DPB reforms.

Table 88: Effect of reforms on those aware of them (%)

Regular meetings with Case Manager (youngest child < 6 years) - (by ethnicity)

	Total Sample (n=176)	Māori (n=50) A	Pacific Peoples (n=10) B	Other (n=116) C
No effect	83	77	93	85
Started undertaking education/training	5	12 ↑C	0	3
Started looking for full-time work	4	4	7	3
Put considerable pressure on me	4	2	0	5
Made me worried/stressed	3	3	0	3
Got full-time work	1	2	0	1
Provided motivation	1	2	0	0
Started looking for part-time work	1	0	0	2
Put considerable pressure on family	1	0	0	2
Felt obligated to look for work	1	0	0	2
Don't know	0	0	0	0

Base: Those respondents with youngest child aged under six years and aware of DPB reforms.
Note: Multiple responses to this question encouraged. Consequently the columns may total more than 100%. Significant differences are reported at the 95% confidence interval. Sample sizes for Māori and Pacific Peoples are small – consequently, results for these groups should be considered indicative only. Table lists those effects mentioned by five or more respondents.
SOURCE: Survey of sole parents who left the benefit for employment 2001

9.2.2 Perceived effects of the reforms on the behaviour of those with a youngest child 7-13 years

The survey of sole parents who left the benefit for employment found that 75% of respondents with a youngest child aged between 6 and 13 years of age, and aware of the requirement to look for part-time work (75%), stated that the reforms had no effect on how they felt or what they did with respect to finding work. Six percent stated that they started to undertake some form of education or training, while 5% stated that they started looking for part-time work. Six percent of respondents commented that the policy change placed considerable pressure on them (Table 89).

Table 89: Effect of reforms on those aware of them (%) for finding part-time work (youngest child 6 – 13 years) - (by ethnicity)

	Total Sample (n=412)	*Māori (n=116) A*	*Pacific Peoples (n=16) B*	*Other (n=280)C*
No effect	75	72	59	77
Started undertaking education/training	6	9	6	5
Put considerable pressure on me	6	6	19	6
Started looking for part-time work	5	6	4	4
Got part-time work	4	8 ↑C	0	3
Started looking for full-time work	4	4	10	4
Made me worried/stressed	4	4	5	3
Put considerable pressure on family	2	3	3	2
Got full-time work	2	2	0	2
Provided motivation	1	3 ↑C	4	0
Forced to take unsuitable job	1	1	0	1
Chose a new career	1	1	0	1
Don't know	1	0	0	1

Base: Those respondents with youngest child aged 6 – 13 years and aware of DPB reforms.
Note: Multiple responses to this question encouraged. Consequently the columns may total more than 100%. Significant differences are reported at the 95% confidence interval. Sample size for Pacific Peoples is small – consequently, results for this group should be considered indicative only. Table lists those effects mentioned by five or more respondents.
SOURCE: Survey of sole parents who left the benefit for employment, 2001

Results by ethnicity show that Māori respondents were significantly more likely to state that they got part-time work as a result of the policy change (8%) than Other respondents (3%). Māori respondents were also more likely to state that the requirement to find part-time work provided them with motivation (3%) than Other respondents (0%) (Table 89).

9.2.3 Perceived effects of the reforms on the behaviour of those with a youngest child 14+ years

In the survey of sole parents who left the benefit for employment, 58% of respondents with the youngest child aged 14 years of age or over, and aware of the requirement to look for full-time work, stated that the reform had no effect on how they felt or what they did with respect to finding work. Ten percent of respondents stated that they started looking for full-time work, while 6% stated that the change encouraged them to undertake some form of education or training. Pressure caused by policy changes was also evident among this group with 15% stating that the change put considerable pressure on them, and a further 7% commenting that the change was worrying and stressful (Table 90). There are no statistically significant differences by ethnicity. This may be due to small sample sizes.

Table 90: Effect of reforms on those aware of them (%) for finding full-time work (youngest child 14 years and over) - (by ethnicity)

	Total Sample (n=134)	*Māori (n=28) A*	*Other (n=104) C*
No effect	58	66	55
Put considerable pressure on me	15	5	18
Started looking for full-time work	10	15	9
Made me worried/stressed	7	7	7
Started undertaking education/training	6	5	7
Got part-time work	5	8	4
Got full-time work	4	2	5
Started looking for part-time work	3	0	3
Provided motivation	2	2	1
Got casual work	1	3	1
Put considerable pressure on family	1	0	2
Moved back into workforce	1	0	1
Had to leave enjoyable part-time job	1	0	1
Don't know		0	1

Base: Those respondents with youngest child aged 14 years and over, and aware of DPB reforms.
Note: Multiple responses to this question encouraged. Consequently the columns may total more than 100%.
Significant differences are reported at the 95% confidence interval. Sample sizes for Māori are small – consequently, results for this group should be considered indicative only. Table lists those effects mentioned by five or more respondents. The number of Pacific Peoples with a youngest child 14+ years who felt the reforms had had some effect on them was very small (only two people).
SOURCE: Survey of sole parents who left the benefit for employment, 2001

9.3 Measures to assist sole parents' entry to, and retention of, employment

The facilitative measures introduced as part of the DPB and WB reforms included:

- increased funding for facilitative measures:
  - to cope with increased demand for existing support (e.g. case management and job search assistance)
  - for new initiatives (e.g. a post-placement support pilot, and enhanced assisted job search measures)
- measures which were intended to provide financial incentives, or address disincentives, for sole parents to work. These measures included:
  - during the initial transition to work, access to an employment transition grant (to cover any loss of income due to lack of paid sick leave during the first six months), and a 91-day period (after cancellation/suspension of benefit) where debt repayment is frozen
  - changes to the Child Support Act to allow access to the payment record of non-custodial parents (alerting custodial parents to the potential amount they could receive directly once off benefit)
  - increased child-care assistance e.g. a cash subsidy (up to $1.80 per hour for children aged 5 to 13 attending an approved out-of-school care (OSCAR) programme) and establishment funding for out-of-school care services in low-income communities.

9.3.1 Outcomes of OSCAR subsidy for parents and providers

The Government's policy intent of the OSCAR subsidy was to:

- assist low-income caregivers to enter and remain in employment and training
- reduce the financial disincentives of parents of low-income families to move into paid employment due to childcare costs
- improve access to childcare through making childcare more affordable
- improve access to childcare for caregivers who otherwise might not be in a position to look for work.

The Government also intended to contribute to the expansion and sustainability of OSCAR services by providing low-income parents with a capacity to pay fees.

9.3.1.1 Patterns of OSCAR Subsidy take-up

The take-up of the OSCAR subsidy during the first year of operation was considerably lower than that envisaged by the Government when it extended childcare payments to cover OSCAR services. According to figures supplied by DWI, only 1,130 parents were reported as receiving the OSCAR subsidy for one or more of their children in May 2000. By February 2001 that number had decreased slightly to 1,093.

The services used by parents who had accessed the OSCAR subsidy at some point between November 2000 and mid-November 2001 ranged widely with after-school care and holiday care being most in demand.

Despite the low take-up of the OSCAR subsidy, over a third of the parent respondents to the OSCAR Parent Survey reported that they did not use OSCAR services prior to taking up the OSCAR subsidy.

9.3.1.2 Employment outcomes

Taking up the OSCAR subsidy does appear to be associated with an increase in paid employment participation. Three-quarters of the respondents to the OSCAR Parent Survey reported that they were in paid employment at the time of surveying.

However, only slightly more than half the respondents reported being in employment prior to receiving the OSCAR subsidy. A slightly higher proportion of benefit recipients currently in paid employment had entered it at the receipt of an OSCAR subsidy than the proportion of the non-beneficiary recipients currently in paid employment (Table 91).

Table 91: In-work OSCAR parents' benefit status by employment take-up[121]

In Paid employment before OSCAR Subsidy	*OSCAR Parent Beneficiaries*		*OSCAR Parent Non-Beneficiaries*	
	Parents	*% Parents*	*Parents*	*% Parents*
Yes	449	70	207	77
No	193	30	62	23
Total	642 *	100	269**	100

*13 missing cases ** 4 missing cases.
SOURCE: OSCAR subsidy evaluation, 2001

Of the 656 respondents to the OSCAR Parent Survey who were in paid employment prior to taking up the OSCAR subsidy, over a quarter (184 respondents) reported that the OSCAR Subsidy did allow them to increase their work hours. This association was particularly pronounced among the beneficiary recipients of the OSCAR subsidy (Table 92).

[121] The OSCAR Parent Survey included all parents registered with DWI as being in receipt of an OSCAR Subsidy at some time between 20 November 2000 and 16 February 2001.

Table 92: OSCAR parents' benefit status by increase in work hours (OSCAR Parent Survey)[122]

Increased Work Hours due to Subsidy	*OSCAR Parent Beneficiaries*		*OSCAR Parent Non-Beneficiaries*	
	Parents	*% Parents*	*Parents*	*% Parents*
Yes	138	31	46	22
No	310	69	162	78
Total	448 *	100	208**	100

*14 missing cases ** 3 missing cases.
SOURCE: OSCAR subsidy evaluation, 2001

9.3.1.3 Training outcomes

Just over a third of the respondents to the OSCAR Parent Survey reported that they were in education or training. Involvement in education and training was more pronounced among the beneficiary recipients of the OSCAR subsidy compared to the non-beneficiary recipients of the OSCAR subsidy (Table 93). .

Table 93: OSCAR parents' benefit status by involvement in education/training (OSCAR Parent Survey)[123]

Involvement in Education/Training	*OSCAR parent beneficiaries*		*OSCAR parent Non-beneficiaries*	
	Parents	*% Parents*	*Parents*	*% Parents*
Yes	374	40	72	24
No	555	60	231	76
Total	929 *	100	303**	100

*3 missing cases ** 1 missing case.
SOURCE: OSCAR subsidy evaluation, 2001

Twenty-one of the 70 non-beneficiaries in education or training reported that the OSCAR Subsidy allowed them to increase their hours in training. Over two thirds[124] of beneficiaries in training reported that the OSCAR Subsidy allowed them to increase their hours in training (Table 94).

Table 94: OSCAR parents' benefit status by increase in training hours (OSCAR Parent Survey)[125]

Increased Training Hours due to Subsidy	*OSCAR Parent Beneficiaries*		*OSCAR Parent Non-Beneficiaries*	
	Parents	*% Parents*	*Parents*	*% Parents*
Yes	159	43	21	30
No	208	57	49	70
Total	367 *	100	70**	100

*10 missing cases ** 3 missing cases.
SOURCE: OSCAR subsidy evaluation, 2001

9.3.1.4 Are OSCAR services affordable with the OSCAR subsidy?

The evaluation of the OSCAR subsidy indicated there was considerable variation in what parents pay for OSCAR services. Average weekly fees during term time ranged from $2.35 weekly to $360 weekly. Average weekly holiday fees reported by parents range from $3.60 to $600 weekly. Almost 10% of the parents noted that they faced other non-OSCAR childcare costs for children aged 5-14 years - that is,

[122] Ibid.
[123] Ibid.
[124] That is, 248 of the 367 beneficiary respondents to the OSCAR Parent Survey in education or training.
[125] The OSCAR Parent Survey included all parents registered with DWI as being in receipt of an OSCAR subsidy at some time between 20 November 2000 and 16 February 2001.

child-care costs for this age group not provided by OSCAR providers e.g. babysitters in one's own home etc.

The OSCAR subsidy did increase affordability. However, affordability remained a problem for subsidised parents. Parents reported that they could not use OSCAR services to the extent they would wish:

- almost half of the parents in the OSCAR Parent Survey reported that cost prevented them using OSCAR more often
- fifty-two percent of the respondents to the OSCAR Parent Survey reported that they could not use holiday care because of the cost of holiday programmes.

Some parents noted that they had given up work or reduced their work hours because of the cost of childcare and the low level of the subsidy: *"I simply cannot afford to prepay school holiday programmes."* (OSCAR evaluation, 2001)

"I feel the subsidy I received was too little ... I couldn't continue OSCAR care because I couldn't afford it ... I got $20 per week when it cost me $120." (OSCAR evaluation, 2001)

Other parents noted taking their children to workplaces or education and training with them.

Despite parents' criticisms of the level of the OSCAR subsidy, the OSCAR subsidy did make a difference to the affordability of OSCAR services. Sixty-two percent of the respondents to the OSCAR Parent Survey reported that they used an OSCAR service because they could afford it since it was subsidised through the OSCAR subsidy.[126]

Problems accessing the subsidy and the high transaction costs associated with keeping that access, combined with the low level of the subsidy, had prompted some parents to give up the OSCAR subsidy, reduce their use of OSCAR services and, in a minority of cases, actually give up training or employment.

9.3.1.5 Provider viability and service sustainability

Those OSCAR providers receiving Development Assistance (DA) had considerable difficulties in relation to establishing an adequate and stable funding base. However, it must be recognised that those barriers to viability were not restricted to the DA providers.

Private providers were the most likely to find that parent fees covered their costs. The ability of private providers to cover their service delivery costs by parent fees reflects their lower exposure to low-income parents. Private providers participating in the OSCAR Provider Survey were least likely to report that they:

- had parents receiving OSCAR subsidies
- were exposed to parental debt.

Unpaid fees by parents were a major problem for many providers and forced some providers into engaging debt collectors, with many reporting debts ranging up to $4,000 for some providers. Other providers found their parents were persistently in arrears of about a fortnight.

It appears that some OSCAR providers quickly excluded parents who had fee arrears from further service use. Private providers in particular also reported that unless their market segment was primarily low-income parents, they actively avoided taking on any parents they believed were likely to need a subsidy to afford the OSCAR fees.

Providers in predominantly low-income areas also reported that they were concerned whether they could maintain service delivery over the long term given their limited ability to set fees at levels able to meet

[126] There is a minimal difference between beneficiary and non-beneficiary recipients of the OSCAR subsidy in this regard. Fifty-nine percent of non-beneficiary respondents to the OSCAR Parent Survey compared to 53% of beneficiary respondents to the OSCAR Parent Survey reporting that they used an OSCAR service because they could afford it since it was subsidised through the OSCAR subsidy.

their operating costs. Many providers suggested that they cross-subsidised from other services to maintain OSCAR services. The potential for exit by providers meant that parents may have ongoing uncertainty about access to OSCAR services.

9.3.2 Outcomes and facilitative measures (e.g. DWI employment programmes and assistance, PPS)

The DPB and WB reforms provided increased funding for DWI to cope with the expected increase in demand for existing support (e.g. job search and case management) associated with the movement of more DPB and WB recipients onto the job seeker register. It was anticipated that reciprocal obligations would increase the job seeker register by approximately 16%. As Table 95 illustrates, there has been an increase in the rate at which DPB recipients have received job search assistance and participated in other DWI employment programmes from January 1998 through until April 2001. It should be noted that this increase is from a very low base in the year January 1998 to January 1999.

Table 95: DPB participation rate in DWI employment programmes per 1,000 DPB recipients

	Rate per 1,000 DPB Recipients	
DWI Employment Programmes	*Jan 1998 – Jan 1999*	*Feb 1999 – Apr 2001*
Into Work Support	0.19	3.11
Information Services	0.17	1.65
Job Search	0.15	3.12
Skills Training	4.18	9.62
Work Conference	0.82	1.69
Work Experience	3.29	8.16
Paid Employment	1.62	6.56
Total Programme	10.23	30.8

SOURCE: DWI administrative data, 2001

The increased funding for facilitative measures was also for new initiatives such as the Post-Placement Support pilot (PPS). PPS was a small pilot service to assist sole parents who are relinquishing their DPB to move into employment, by providing them with an on-going support service to ease the transition. The pilot was implemented by DWI and commenced in July 1999. It was piloted in four regions: South Auckland, Hawke's Bay, Wellington and Christchurch. Services were delivered in each region either "in-house", by Case Managers, or through "external" contracted community providers, or both. These options were provided to determine which model of service delivery was most appropriate to the clients. Participation was voluntary and clients were entitled to support for a period of six months.

It was not possible to explore outcomes for participants in the PPS pilot because the implementation and on-going operation of the pilot were so flawed.

Refer to section 4.5.2 Implementation issues: Post Placement Support pilot.

9.4 Summary - the impact of the reciprocal obligations and measures

The impact of the reciprocal obligations

Case Managers said that there were noticeable differences in terms of attitude between DPB and WB recipients who had been on a benefit for many years and those recipients that had been in receipt for a short period of time. They believed that recipients who had received a benefit for a short time were more likely than longer-term recipients to look for paid employment when their youngest child reached the prescribed age set down in the reforms. They also believed that DPB and WB recipients had become more aware and accepting of the requirement to look for part-time and eventually full-time paid work.

Amongst DPB recipients who had left the benefit for employment the perceived or reported impact of the reforms also appeared related to the degree of potential impact on the individual and their family. For those currently subject to regular meetings with their Case Manager, more than four in five (83%) stated that this requirement had no effect on how they felt or what they did with respect to finding work. However, among those required to look for full-time work, only 58% stated that the reforms had no effect on them.

Reported impacts of the policy reforms are wide-ranging. Of those required to look for full-time work, 15% stated that this put considerable pressure on them, and 7% mentioned worry and stress, the detrimental impacts being most frequently mentioned by those with more than one child. However, as a direct result of the policy requirement to find full-time work, 10% started looking for full-time work and 6% started undertaking work-related training, while 5% moved into part-time work.

Māori respondents with a youngest child under seven were significantly more likely to state that they started undertaking education or training as a result of the policy change (12%) than Other respondents (3%). Māori respondents subject to the part-time work test were significantly more likely to state that they got part-time work as a result of the policy change (8%) than Other respondents (3%), and that the requirement to find part-time work provided them with motivation (3%) than Other respondents (0%).

The impact of the reciprocal obligations and measures

Under the reforms, measures were introduced which were intended to provide financial incentives, or address disincentives, for sole parents to work (e.g. increased assistance during the initial transition to work; changes to the Child Support Act to allow access to the payment record of non-custodial parents; and increased child-care assistance). Sole parent beneficiaries also became eligible for the full range of employment programmes and assistance available to other job seekers.

The number of sole parents participating in DWI employment programmes did increase, albeit from a small base. However, the inconsistent administration of the measures (reported by Case Managers and experienced by sole parents interviewed) meant that sole parents often did not know about, or had difficulty accessing, the range of new assistance measures envisaged in the policy. It also meant that it is not possible to assess how successful the measures could be in mediating the barriers to sole parents entering and staying in employment.

The OSCAR subsidy to parents and the development assistance to OSCAR providers appeared to have had limited success. The take-up of the OSCAR subsidy during the first year of operation was considerably lower than that envisaged, mainly due to implementation issues. However, OSCAR services were considered valuable to those who used them:

- over a third of the parent respondents to the OSCAR Parent Survey reported that they did not use OSCAR services prior to taking up the OSCAR subsidy
- OSCAR does appear to be associated with increased participation in employment and education and training (e.g. participants were able to extend their hours)
- the OSCAR subsidy does increase affordability of childcare although affordability still remains a problem.

Those OSCAR providers receiving Development Assistance (DA) had considerable difficulties establishing an adequate and stable funding base for their OSCAR services. However, it must be recognised that those barriers to viability were not restricted to DA providers.

The results of the evaluation indicate there is value for government in investing in, and supporting, childcare to assist sole parents to enter and remain in employment. There is a need to address issues such as the affordability of services and the sustainability of providers in low-income areas, whether through existing programmes or alternative options.

10. Conclusions and implications

The evaluation and monitoring strategy found that sole parents were generally highly motivated to enter and stay in employment when they could enter employment that was suitable. There was also evidence to suggest that the reforms helped create the expectation that, where possible, sole parents should be in employment once their child/ren are over the age of seven.

Those that did move into employment and off the benefit were more likely to report that they were better off financially, even though in some cases those benefits took time to accrue.

Economic conditions will have an impact on the availability of employment for sole parent job seekers. However, the findings suggest a number of implications for policies affecting sole parents' entry to, and retention of, employment:

- for the successful implementation and on-going operation of future policy initiatives affecting DPB and WB recipients the following should occur:
  - consideration of the operational feasibility of new policy when it is being developed
  - a clear translation of the policy from the policy agencies through the operational agency to DPB and WB recipients
  - sufficient resourcing for full and stable implementation and on-going operation to occur
- for facilitation of entry into employment key areas to consider are:
  - access to childcare that is affordable and available at the times and locations required by sole parents
  - sole parents' acquiring post-school education and training as this assists them to move beyond low-paid jobs that are often not sustainable. This implies a continued need to encourage sole parents to participate in education and training. However, there is also a need to better understand what type of education and training is most important in assisting sole parents into employment
  - practices that are tailored to meet the needs of Māori and Pacific Peoples
  - developing a better understanding of the availability of employment regionally along with the extent to which there is a mismatch between the jobs available and sole parent job seekers
- for the retention of employment by sole parents key areas to consider are:
  - childcare (as mentioned above)
  - access to transitional financial support for sole parents moving into employment
  - access to on-going support from DWI (e.g. supplementary benefits, and other types of grants) to assist sole parents to maintain stability of income
  - clear communication to sole parents of their entitlements, and co-ordination between agencies providing support to sole parents in employment (e.g. IRD and DWI) to assist in reducing the level of debt some sole parents face
- the evaluation indicated there might be some negative effects for children of sole parents moving into employment. Further information is required on the extent to which:
  - concerns about the welfare of children aged 14+ prevents sole parents from moving into employment
  - children under 14 years are being left at home alone while sole parents are in employment.

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Appendix One

1 Evaluation methods

A number of inter-related projects were developed to address evaluation and monitoring strategy objectives. The projects included:

- a shorter-term Qualitative Outcomes Study
- a national survey of sole parents who left the benefit for employment
- a limited evaluation of the Post-Placement Support pilot
- evaluations of the OSCAR subsidy and OSCAR Development Assistance
- a limited evaluation of the implementation of the DPB and WB reforms
- an analysis of DWI administrative data.

The methods of data collection are listed below. Full copies of the reports are listed in Appendix Four.

1.1 Qualitative outcome evaluation method

Data was gathered by way of two phases of in-depth interviews approximately one year apart. It was intended that those interviews would be with:

- DPB and WB recipients who were either in employment or not employed
- people who had received the DPB and WB at the time of the reforms.

The case framework for selecting interviewees was determined by the following criteria:

- **ethnicity** (Māori, Pacific Peoples and Other/European) – this was driven by the need to obtain information on the experiences of sole parents from the different ethnic groups
- **age of youngest child** (0-5 years, 7-13 years and 14 or more years) – this was driven by the need to obtain information on the sole parent beneficiaries facing different reciprocal obligations under the DPB and WB reforms based on the age of the youngest child
- **employment status** (employed; not employed) – this was driven by the need to explore the experiences of those who were in paid work and those who were not
- **geographical location** (urban, provincial/rural) – this was driven by the need to explore the experiences of sole parent beneficiaries and ex-beneficiaries in different types of labour markets.

Pacific Peoples were drawn from urban areas only because of the relatively low numbers of Pacific Peoples in rural and provincial New Zealand. The focus of the evaluation was on those aspects of the benefit reforms designed to encourage and assist DPB and WB recipients with dependent children[127] into paid employment, and this, combined with low relative numbers of WB recipients[128] with dependent children, meant that the case target for that group was restricted to WB recipients:

- with youngest children of six years or more
- living in Christchurch.[129]

The target number of interviewees was established at 92 to ensure coverage of those attributes over both phases of interviewing. It was expected that there could be considerable difficulties in retaining participants over the year between the Phase 1 interviews and the Phase 2 interviews. Therefore, while 92 interviewees is far in excess of the numbers of participants usually recruited in qualitative studies, there was a need to select sufficient interviewees to maintain viable levels of participation within the cases set out in the targeted case framework.

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[127] Dependent children are defined as those under the age of 18 years.

[128] Owing to the older age profile of WB recipients.

[129] Christchurch was selected because Christchurch has higher concentrations of WB recipients than other DWI areas.

In fact, 97 interviews were undertaken in Phase 1 because of the need to "back-fill" five interviews, due to the non-receipt of interview data returned by interviewers through the post. The Phase 1 analysis, however, was restricted to the 92 interviews for which interview schedules were received.

In Phase 2, attempts were made to contact all 97 participants interviewed in Phase 1. Sixty-three interviews were completed in Phase 2. Of the 92 participants reported on in the Phase 1 interim report, 60 participated in the Phase 2 interviews. That constitutes a 65 percent retention rate. The remainder of this section compares targeted and achieved cases for each phase, describes the research instrumentation, describes the research processes, and comments on the approach to analysing the research data for this final report.

1.1.1 Targeted and achieved cases

Table 96 sets out the number of cases achieved for the Phase 1 interviews and the number of participants retained in the Phase 2 interviews. The numbers in bold refer to the number of respondents interviewed in Phase 2. The unbolded numbers refer to the number of respondents interviewed in Phase 1. There should have been the same two respondents per case, per phase (e.g. two Pākehā employed, with a youngest child aged one to five years from an urban area).

Table 96: Achieved case framework in Phases 1 and 2

Location	*Total Cases*	*Intervie wees*	*Benefit Type*	*Ethnicity*	*Youngest Child – 1-5 yrs*		*Youngest Child – 7 - 13 yrs*		*Youngest Child – 14+ yrs*	
Employment Status					*Employed*	*Not Employed*	*Employed*	*Not Employed*	*Employed*	*Not Employed*
Urban	18	2x18=36	DPB	Pākehā	1, 0	3, 2	5, 3	0, 0	4, 2	2, 2
				Māori	1, 1	5, 5	1, 0	1, 2	1, 1	0, 0
				P Is	2, 2	3, 1	2, 2	2, 2	1, 1	2, 2
Provincial	12	2x12=24	DPB	Pākehā	1, 0	3, 1	3, 1	1, 1	3, 3	1, 0
				Māori	1, 0	2, 0	1, 0	5, 3	2, 2	1, 0
Rural	12	2x12=24	DPB	Pākehā	3, 2	1, 0	4, 3	0, 0	3, 2	1, 1
				Māori	1, 0	2, 0	5, 5	3, 1	0, 0	1, 1
CHCH	4	2x4=8	WB	Mixed	NA	NA	3, 2	1, 0	3, 3	1, 1

SOURCE: Qualitative Outcomes Study, 2001

1.1.1.1 Phase 1 achievement of cases against target

The total number of cases targeted in each geographical area was achieved. There was, however, some variation around ethnic targets. This reflected:

- errors in the SWIFTT database regarding ethnicity
- changes in the way in which people reported their ethnicity to DWI and the way in which they identified themselves to the interviewer at the Phase 1 interview. In some cases the participants themselves reported that while they might have a parent of a particular ethnicity, they, themselves, identified with only one side of their ethnic heritage.

There was also considerable fluidity around employment status, with a significant number with an employment status different from that reported on the SWIFTT data. There was also some slight fluidity around the age groups related to youngest children.

1.1.1.2 Phase 2 achievement of cases against target

Retention was most problematic among those living in provincial/rural areas and among those who had left the DPB and WB. Most retention problems arose from non-contacts rather than refusals. Four refused to participate in the second phase of interviewing (Table 97).

Table 97: Participant retention

Interviewing and Participants	*Phase 1*	*Phase 2*
Total participants interviewed	97	63
Interview schedules received	92	63
Refusals	N/A	4
Contact not re-established	N/A	28
Schedules for Phase 1 & Phase 2	N/A	60
Total for analysis	92	60

Despite the refusal to engage in a second interview, many of those participants were willing to comment briefly on their current situation and the reasons for their refusal to participate.

For most, refusal to participate in the Phase 2 interviews was connected to a shift off the DPB and WB. The majority of those who refused to be interviewed had taken up paid work and saw the DPB and WB period as something they did not want to reflect on. For some, despite extensive information about the voluntary nature of their participation in Phase 1, the movement off a benefit may have empowered Phase 1 participants to feel that there were no longer any risks associated with non-involvement.

It has already been noted that, in some cases, the number of participants was reduced to one or none by Phase 2. It was noted in the interim report following the Phase 1 interviews that some cases had only one interview instead of the targeted two. In Phase 1 there were particular problems in recruiting in rural/provincial areas according to the ethnic and employment permutations targeted in the case framework. Whatever the reasons for those recruitment problems, similar dynamics also affected the retention of Phase 1 participants.

Most of the non-contacts for Phase 2 were in the rural/provincial areas. Some of those non-contacts were due to an inability to find an address and/or telephone number. For others a telephone number was found but contact could not be made because repeated telephone calls at various times during the day and in the evenings went unanswered.

While we cannot come to any definitive conclusions about the reasons for these difficulties, our experience during this evaluation and in the course of other research in rural/provincial areas allows us to provide some informed comment. Problems of recruitment and retention appear to be particularly prevalent in the Wairarapa where there appears to be a mobile population of beneficiaries that actively avoid surveillance.

In addition, contact problems seem to be associated with a significant mobility of people in rural/provincial areas both within and between districts. This may reflect rural/provincial dwellers following employment and/or training opportunities.

1.1.2 Research instrumentation

Interviews in both Phase 1 and Phase 2 involved conversational, in-depth interviewing techniques. It was originally intended that the majority of interviews would be face-to-face. This in fact was the case for the Phase 1 interviews. Of the 97 interviewees in Phase 1, 10 requested specifically that they be interviewed by telephone. In the Phase 2 interviews, participants were asked how they would like to be interviewed – either by telephone or face-to-face.

In-depth, conversational interviewing requires considerable experience and skill because it is an approach that requires the interviewer to get the research participant to relate their own story. Moreover, the story must be allowed to emerge in a way that:

- is not distorted by the analytic requirements of the research
- allows the research participant's story to provide empirical richness.

To assist the interviewers in that process, interview schedules were provided to each interviewer in a folder. Those schedules were designed to help the interviewer move back and forward between areas of discussion as required in response to the way in which the interviewee related their experiences.

The Phase 1 interview schedule was finalised following piloting with 19 recipients of DPB and WB. The methodological issues that emerged during the pilot were reported on 31 March 2000. The Phase 2 schedule was developed in March/April 2001 focusing on the changes, particularly labour market and educational changes, experienced by the study participants since the Phase 1 interview. The final Phase and Phase 2 schedules are presented in Appendix 4: Part G.

Both the Phase 1 and the Phase 2 interview schedules were designed to:

- facilitate conversational interviewing
- allow the cultural perspectives of Māori and the various Pacific Peoples to be expressed
- recognise the diversity of household, familial, community and labour market dynamics of DPB and WB recipients
- cover the issues and dynamics affecting DPB and WB recipients' responses to the benefit reforms and their labour market attachment.

Both the Phase 1 and the Phase 2 interview schedules were somewhat more structured than might ordinarily be used for conversational interviewing. The main potential danger with using a relatively structured schedule is the possibility of interviewers using the schedule as a structured questionnaire and, consequently, subordinating the research participants' voices to pre-defined categorisations. It was made clear during training that interviewers should not treat the schedule as a questionnaire.

All the interviewers were familiar with the Phase 1 schedule, having used a very similar version for the Pilot. Nevertheless, all the seven interviewers attended a training day for Phase 1. One of those interviewers was unavailable for Phase 2 interviewing. The interviewing for Phase 2 was undertaken by the remaining six interviewers. A training day for the Phase 2 interviewers was undertaken immediately prior to the Phase 2 interviewing period.

The Phase 1 training involved not only familiarisation with the amended interview schedule but also extensive discussion of research processes relating to the cultural issues for Māori and for Pacific Peoples. There was also discussion of the DPB and WB policy and reform package as well as commentary on labour markets and labour force participation. The members on the advisory group provided presentations in the areas of cultural responsiveness and labour markets.

The Phase 2 training involved finalisation of the Phase 2 interview schedule. Officials from the commissioning agencies also had an opportunity to discuss with the interviewers the informational and evaluation objectives they had for Phase 2.

The quality of the data collected indicates that the interviewers did use the conversational style necessary for this type of qualitative methodology.

The interview team for Phase 1 were all women and consisted of three Other, two Pacific Peoples and two Māori. In the pilot it was found that both women and men tended to be more comfortable with women interviewers. One Pacific interviewer was overseas during the Phase 2 interviewing period, so the interview team was reduced to six. No additional interviewer was recruited for Phase 2.

With both Māori and Pacific Peoples, the involvement of the Māori interviewers and the Pacific interviewers was crucial. Their cultural skills were essential for the development of mutual understanding between interviewer and interviewee as well as gaining and sustaining access and rapport.

The ability of interviewers to converse in the language of preference of the interviewee was particularly important with Pacific interviewees (for some of whom English was a second language). It was also important for some of the Māori interviewees' expression of concepts generated within Māori world-views and experiences.

1.1.3 Research processes

The three key research processes are the focus of the following discussion:

- recruitment and retention
- interview processes
- confidentiality and consent.

1.1.3.1 Phase 1 recruitment

For the Phase 1 interviews two approaches were undertaken for the recruitment of participants. Participants were recruited, firstly, by telephone and postal contact with those whose names and addresses were supplied by DWI and, secondly, through community-based networks. Initially, it was expected that the latter should be confined to Māori provincial/rural-based DPB and WB recipients. However, difficulties with accessing Pacific participants off the DWI list meant that there was some use of interviewer networks to generate participants from the Pacific communities.

In Phase 1, a significant issue around the provision of sets of DPB and WB names and contacts by DWI was the inaccuracy of the data. Lists had missing data, irrelevant data, and incorrect data. Ethnic data on SWIFTT was particularly unreliable. The data relating to age, employment status and age of youngest child also tended to unreliable. There were clear errors in relation to the recording of DPB recipients' sex.

Incorrect addresses resulted in approximately 10 "return to sender" letters. In addition, a number of telephone numbers were no longer operational – they were either disconnected entirely or the number listed was incorrect. It is unclear whether the latter was due to poor inputting of contact information into SWIFTT or due to subsequent changes of address or telephone provider. Problems around telephone numbers were particularly acute in the Auckland area.

As found during the recruitment for the pilot, there was considerable variability in refusal rates of those contacted by telephone through the DWI lists of eligible people. The refusal rate tended to be higher in the Wairarapa and among Pacific Peoples.

All of the interviewers attempted to reach their target numbers of participants through using the DWI-generated lists. However, Māori interviewers and Pacific interviewers also recruited some participants through community-based contacts and networks including church, social service and iwi networks. Potential risks associated with the network recruitment approach include:

- generating a strongly endogamous group of participants
- difficulties in maintaining participant anonymity within the local community networks
- issues around the reliability of the information shared by the research participants.

The first of these was managed through the application of clear selection criteria and the use of established and diverse community, rather than simply personal networks of the interviewers.

The problem of anonymity is less easily dealt with. It was protected as much as possible by the interviewers seeking potential participants through a multiplicity of contacts and maintaining confidentiality of identifiable information. Feedback from interviewers who recruited through networks indicated that participants were, in many cases, more comfortable with being involved in the research than those who were contacted through the DWI database, and did not express any concerns about anonymity.

Using community networks to recruit participants can be problematic where the interviewer is from the same area or community as the participants and is an "insider" rather than an "outsider". Being an insider also raises issues about the extent to which participants are likely to expose their practices and experiences

if these are in conflict with the norms and values shared with an interviewer who is a member of their own community or reference group. On the other hand, participants may be inhibited with "outsiders".

In the context of this research, all of the interviewers lived in an area outside of the areas in which they undertook their interviews, reducing pressure participants may feel to express views they believe to be widely felt amongst their immediate community. At the same time, care was taken to ensure that interviewers of a similar ethnic background to individual participants were available to, but not imposed on, participants.

1.1.3.2 Phase 2 retention

A number of strategies were used to try and keep participants interested in participating in the evaluation a year after their first interview:

- their participation in Phase 1 was acknowledged by a small token
- the interviewers tried to establish some rapport with participants and a follow-up thank-you card was sent to each participant. Christmas cards were also sent to participants.

DWI was asked to provide the same set of names from which we drew our original sample so we could match any changes in address of participants in Phase 1 still receiving some form of income support.

In matching the Phase 1 participant names and addresses, it was found that there were a number of changes in address. Many of these new addresses were proved to be inaccurate, particularly in the case of the Pacific participants.

Searching of telephone books and in some cases physically following Phase 1 participants to forwarding addresses were the only ways of following up many of the Phase 1 participants.

Fortunately, many of the participants in Phase 1 who were no longer listed as beneficiaries by DWI were living at the same addresses as they were for Phase 1.

1.1.3.3 Interview process – Phase 1

In Phase 1 contact was made by letter with all potential participants whose names and addresses were provided by the DWI lists. Subsequently, each interviewer contacted their set of potential participants by telephone. Where these telephone contacts resulted in an agreement to participate, a time and place for interviewing was made with the participant. Postcards were sent to each person who had agreed to participate confirming the agreed time and place.

Where interview participation was through a local community group, interviewers typically organised a time and place with that community group to allow participants to be taken to the interview.

Establishing interview times required considerable flexibility on the part of the interviewers. Many interviews were conducted during the evening, reflecting the high number of participants who are involved in voluntary or paid work, and also those who preferred to be interviewed at a time when alternative care could be arranged for their child or children. Several interviews needed to be rescheduled. Two interviews were conducted in two separate sessions. One of those involved a telephone interview for the second session.

In all, 10 Phase 1 interviews were undertaken over the telephone. Nine of these were with non-Māori and non-Pacific participants (that is, the "Other" category) who specified that they would rather be interviewed on the telephone than make an appointment to meet in person. In general, these participants wanted to be interviewed at the time the interviewer made initial contact. The 10th interview was with a Māori participant.

There were several advantages in using this technique. Several late night interviews took place without inconvenience to the interviewee. These particularly suited participants who had recently entered full-

time employment, were not willing to impinge on work time to take part and needed the early evening to put children to bed.

Some participants felt that they had an increased sense of confidentiality, with one woman saying she would rather be interviewed by telephone because she had not told anyone she was on a benefit, and did not want neighbours to see her being interviewed.

Interviews undertaken on the telephone tended to be more focused on the task at hand, with less discursive conversation. Nevertheless, telephone interviews tended to take around 1.5 to 2 hours.

The interviews generally took between 2 to 4.5 hours. Most face-to-face interviews with the non-Māori and non-Pacific participants were undertaken in the participant's own home. This was less attractive to some of the Pacific and Māori participants, some of whom were collected by the interviewer, interviewed at another location and returned to their residence after interviewing. Many Māori participants were interviewed at the organisation through which contact was first made.

At the end of each interview, each participant was provided with a small token of recognition in the form of a petrol voucher. In addition, interviewers took food to the interviews ranging from biscuits to fruit or food staples. Biscuits were often shared during the interview process and all the koha were important aspects of rapport building and sharing.

The interviewers found that biscuits and other food were immensely valuable for acknowledging the participant's contribution to the research and their hospitality. The bringing of food – fruit, biscuits or basic grocery items – as koha, goodwill and appreciation – is a means of recognising the participant's hospitality in inviting the interviewer into their house or in sharing their time. The petrol voucher was a separate item of recognition. On the advice of our Pacific advisor and interviewers and our Māori interviewers and advisor, the koha and the petrol vouchers were kept separate.

Also, at the end of the interview, participants were provided with a memo about the research and contact numbers. That research overview could be provided in the following languages – English, Māori, Cook Island Māori, Samoan, Niuean, and Tongan.

Where there were telephone interviews, petrol vouchers and the memos referred to above were sent on to the participant by mail.

1.1.3.4 Interview process – Phase 2

Prior to contacting participants for the Phase 2 interviews by telephone, a letter was sent to Phase 1 participants reminding them of the evaluation. The commissioning agencies also sent a letter enclosure thanking the participants for their involvement in Phase 1.

The letters were followed up by telephone contacts, usually by the interviewer who interviewed the participant in Phase 1. While these initial contacts were intended to be used simply to check the willingness of Phase 1 participants to be involved in Phase 2 and establish interview times, a number of participants wanted to be interviewed immediately on the telephone. A larger number of participants wished for telephone interviews (27 of the 60 participants reported on in this report). The remainder were interviewed face-to-face.

The interview processes were similar to those in Phase 1 although interview times tended to be shorter. This reflected the significantly shorter interview schedule as well as a larger number asking for a telephone interview.

1.1.3.5 Confidentiality and consent forms

Subsequent to the pilot, we reported that some respondents were hesitant about confidentiality forms and Pacific participants were particularly clear that their presence at the interview indicated consent. In Phase 1 the whole practicality of consent forms became once more an issue. Both participants and interviewees felt that signing forms interrupted the process of rapport building.

Instead of insisting on signed consent, interviewers ensured that they undertook a full oral briefing of the participant about the voluntary nature of the research as well as their right to withdraw at any stage of the research process including the interview. This process was followed also in Phase 2.

1.1.4 Approach to data analysis

The analysis is based primarily on the experiences of the 60 participants for whom we have both Phase 1 and Phase 2 interviews. An analysis of the data drawn from all participants in Phase 1 has already been presented to the commissioning agencies.[130]

The data has been subjected to both systematic qualitative and quantitative analysis.

There has been a particular emphasis on recognising the similarities and differences among participant groups according to their ethnicity and other critical socio-demographic characteristics.

The quantitative analysis has been undertaken through the development of an intermediary coding sheet on key quantifiable aspects of the participants' experience. That data has been input into SPSS and subject to limited bivariate and univariate analysis. The qualitative analysis has involved thematic analysis. The analytic process has been supported by day-long research team debriefings for Phase 1 and for Phase 2 respectively.

Because data was captured in writing rather than on tape, participant quotes are paraphrased from written notes.

We have clustered our analysis around the fundamental dynamics and processes that the DPB and WB reforms are attempting to influence. Those are:

- the levels and determinants of labour market attachment among DPB and WB recipients and, ultimately, their children
- the skills, competencies and attractiveness of DPB and WB recipients to employers – that is, the development of DPB and WB recipients' human capital
- the income and living standards of DPB and WB recipients
- the well-being and strength of beneficiary families.

Our emphasis has been on exploring how perceptions, aspirations and experiences continuously drive and mediate DPB and WB recipients' behaviours, intentions and decision-making in relation to:

- their skill development and labour force participation
- the management of their familial obligations and the reciprocal obligations associated with DPB/WB receipt since the benefit reforms.

The evaluation has also been concerned to establish the extent to which the perceptions and aspirations of the DPB and WB recipients changed over the year.

The analysis in this final report is based on the data for those participants for whom we have interview schedules for both Phase 1 and Phase 2. The analysis was undertaken by:

- combining the Phase 1 and Phase 2 quantitative database and re-analysing that data for the 60 participants for whom we have interview schedules for both Phase 1 and Phase 2
- analysing the qualitative data across both the Phase 1 and Phase 2 interviews.

Clearly the addition of Phase 2 interview data is imperative to undertaking the analysis of positional shifts over the last year. The Phase 2 data also allowed us to systematically review the preliminary analytic commentary and conclusions presented in the interim report presented at the end of Phase 1. Much of that analytic commentary and those conclusions have remained. This reflects the:

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[130] Saville-Smith, K., James, B. and Ashton, E. (2000). *Qualitative evaluation of the shorter term outcomes of the DPB and WB reforms: Phase One interim report.* Unpublished Report prepared for the Labour Market Policy Group and Ministry of Social Policy. Wellington: CRESA.

- continuities of the participants' experiences, perspectives and concerns
- relatively muted changes in labour market position over the set of those participants who were receiving DPB and WB at the time of the first interview.

1.2 Survey of sole parents who left the benefit for employment

The results from this survey were obtained from 1,016 interviews with those who had:

- received the DPB at some time over the 12 months prior to the end of February 2001
- had left the DPB as their main source of income, and moved into work at some time over the eight months prior to the end of February 2001
- had not returned to the DPB at the time of the interview.

Based on a sample size of 1,016, the maximum margin of error associated with an estimated percentage of the total population is ± 3.1% at the 95% confidence interval. For example, the result that 51% of all respondents receive a weekly income of between $301 and $500 should be interpreted as meaning that, at the 95% confidence interval, the true percentage of respondents is between 48% and 54% - that is, 51% ± 3%. The margins of error being quoted are the maximum margins of error and are associated with estimates of 50%. If the estimated proportion is higher or lower than this, the margins of error will be less. For example, for Māori, based on a sample size of n=267, the margin of error associated with an estimate of 50% is ± 6.0%, while that associated with an estimate of 10% or 90% is only ± 3.6% (see Appendix 3 of the survey of sole parents who left the benefit for employment. In this report refer to Appendix Four, Part F: A National Survey of Sole Parents Who Left the Benefit for Employment).

It should also be noted that only sole parent ex-DPB recipients have been included in this research. Recipients of the Widows Benefit, the Women Alone Allowance and those receiving assistance for caring for the sick or infirm have been excluded.

1.2.1 Questionnaire design

The questionnaire used for this research was designed collaboratively by Forsyte Research and the Inter-Agency Project Team. It was based around:

- the objectives of the evaluation
- issues raised in the first stage of the face-to-face qualitative interviews (discussed with the Inter-Agency Project Team in the scoping workshop).

The average interview length for CATI[131] was 23 minutes, and for face-to-face interviews was 26 minutes.

1.2.2 Pilot process

In order to ensure that the questionnaire met the objectives of the research, was understandable, relevant and culturally safe for respondents, and could be administered efficiently, an extensive pilot of both the questionnaire and interview process was undertaken.

1.2.2.2 Main pilot

The first stage of the double pilot consisted of 17 interviews – 16 by telephone, and 1 using a face-to-face methodology. The aim of this stage was to check:

- the appropriateness of the contact process
- concerns of potential respondents in taking part in the interview
- the cultural appropriateness of the questionnaire
- the questionnaire's ability to yield meaningful data
- the contact process and likely effect on response rate.

[131] Computer Assisted Telephone Interviewing.

Sixteen pilot interviews were conducted using a combined telephone and in-depth feedback process. Respondents were contacted at random by telephone and asked whether they would be willing to participate in the pilot process. At the agreed time, the respondent was called by telephone and interviewed by one of Forsyte Research's interviewing team.

In the case of six respondents based in Auckland, immediately after the interview the respondent was visited at home by the Project Manager to discuss the issues above. The remaining 10 respondents were called back the same evening by the shift supervisor to discuss the issue above. With respondents' permission, all interviews were audiotaped, and later reviewed by the Project Manager. (To thank them for their contribution and feedback, all respondents participating in the pilot process were given koha of a $20 gift voucher.)

One pilot interview was completed face-to-face. It was initially intended to conduct five face-to-face pilot interviews, however difficulties with finding eligible respondents from the small pilot sample made this impossible.

Pilot interviews were conducted with a range of respondents by age (26 to 62 years), ethnicity (10 Other, 4 Māori and 3 Pacific Peoples) and location, with both male and female respondents being included.

Changes were made to both the questionnaire and the interview process as a result of issues arising from the pilot. These changes were made in consultation with the Inter-Agency Project Team.

1.2.2.3 Final pilot

The second pilot stage involved one evening's interviewing using the revised, programmed questionnaire. The main aim of this pilot was to check interview length, accuracy of programming, and to add to code frames to be used for open-ended questions. At the end of each interview, respondents were asked to comment on the ease of understanding the questions in the survey and being able to give appropriate answers, and their level of comfort with the type of questions being asked and the level of detail required. Respondents were also asked to comment on the structure and length of the questionnaire and tone of the questions asked. Interviewer feedback was also sought during the pilot debrief.

Minor changes were made to the questionnaire before live interviewing took place. These changes related predominantly to the need to shorten the questionnaire slightly.

1.2.3 Sample and sample selection

Respondents were selected at random from names provided from the SWIFTT database. Quotas were set to ensure that the geographic and ethnic distribution of interviews represented the distribution of the total population of sole parent ex-DPB recipients who had moved into work since July 2000 (with the exception of Pacific Peoples who were over-sampled relative to the total population in order to provide a more robust sample size for analysis). Maximum quotas were also set to ensure the final sample approximated the age, gender and age of youngest child distribution of the population of ex-DPB recipients. Quotas were also set to ensure a representative distribution of the source of the contact details for the respondent (DWI-supplied telephone numbers, telephone numbers sourced from the Internet, etc). However, priority in meeting quotas was given to ethnicity and location.

A list of the target quotas, and the final number of completed interviews is provided in Table 98 and Table 99.

Table 98: Participants in short-term outcomes survey – telephone component

Location	*Ethnicity*					*Demographics*	
	Total	*Māori*	*Pacific Peoples*	*Other*	*Pacific Booster*	*Variables*	*No.*
Auckland Central	54	8	13	33	13	*Gender*	
Auckland North	103	17	12	74	12	Female	847
Auckland South	91	27	33	31	33	Male	85
Bay of Plenty	90	33	2	55	2	*Age of respondent*	
Canterbury	105	13	4	88	4	Younger than 20	1
Central	70	17	0	53	0	20 – 29	165
East Coast	61	27	1	33	1	30 = 39	416
Nelson/West Coast	36	5	0	31	0	40 – 49	311
Northland	35	16	1	18	1	50 – 59	38
Southern	75	8	2	65	2	60+	1
Taranaki	54	19	0	35	0	*Age of youngest child*	
Waikato	59	12	1	46	1	Younger than 6	296
Wellington	99	24	22	53	22	6 – 13 years	438
Total	932	226	91	615	91	Older than 13	198

SOURCE: Survey of sole parents who left the benefit for employment, 2001

Table 99: Participants in short-term outcomes survey –face-to-face component

Location	Ethnicity					Demographics	
	Total	Māori	Pacific Peoples	Other	Pacific Booster	Variables	No.
Auckland Central	4	0	3	1	3	*Gender*	
Auckland North	2	0	1	1	1	Female	73
Auckland South	8	2	5	1	5	Male	11
Bay of Plenty	8	5	1	2	1	*Age of respondent*	
Canterbury	10	2	2	6	2	Younger than 20	0
Central	1	0	1	0	1	20 – 29	28
East Coast	9	7	0	2	0	30 = 39	41
Nelson/West Coast	6	3	0	3	0	40 – 49	14
Northland	6	5	0	1	0	50 – 59	1
Southern	6	1	0	5	0	60+	0
Taranaki	5	4	0	1	0	*Age of youngest child*	
Waikato	5	4	0	1	0	Younger than 6	46
Wellington	14	8	2	4	2	6 – 13 years	33
Total	84	41	15	28	15	Older than 13	5

SOURCE: Survey of sole parents who left the benefit for employment, 2001

1.2.3.1 Ethnicity issues

One of the key objectives of the research was to identify any differences that may exist in relation to ethnicity (Māori versus non-Māori, Pacific Peoples versus non-Pacific Peoples etc). Consequently, it was necessary to ensure a sufficient sample size with Māori and Pacific Peoples (with n=200 being selected as the minimum sample size). Given that Māori comprise approximately 26% of the sole parent ex-beneficiary population, approximately 260 interviews would be completed with this group as part of drawing a representative sample, so no "booster" was necessary (the actual number being n=267). However, Pacific Peoples only comprise 6% of the sole parent ex-beneficiary population (equating to n=60 interviews).

Consequently, additional interviews with Pacific Peoples were undertaken in an attempt to get a reliable data set for this group (the final sample size being n=106).[132]

1.2.3.2 Margins of error

Table 100 provides the margins of error for the main sub-groups included in the report.

[132] Note that a maximum sample size of 200 Pacific Peoples was not obtained due to a limited number of Pacific Peoples identified in the sample from which to select–n=290.

Table 100: Margins of error for ethnic groups

	Sample Size	*Margin of Error (at 95% confidence interval)*
Total sample	1,016	± 3.1%
Other	643	± 3.9%
Māori	267	± 6.0%
Pacific Peoples	106	± 9.5%
Youngest child under 6 years	388	± 5.0%
Youngest child 6 to 13 years	464	± 4.5%
Youngest child 14 years and over	147	± 8.1%

1.2.4 The interview process

At least three working days prior to the interview, all potential respondents were sent a letter explaining the purpose of the research, how the interview process would work, how results were going to be used, and outlining their rights as potential research participants (including confidentiality issues).

1.2.4.1 Telephone survey component

A total of 932 interviews (92% of the total sample) were completed using a telephone methodology. Interviews were conducted using a Computer Assisted Telephone Interviewing (CATI) approach. Interviews were conducted from 5 March to 8 April 2001.

Names and telephone numbers from the SWIFTT database were brought up at random and called by interviewers (where possible, with Māori and Pacific Peoples respondents being assigned to, and called by, Māori and Pacific Peoples interviewers). Interviewers asked to speak to the appropriate person (to enhance the respondent's confidentiality, no explanation of the research, or the client's name, was given to anyone other than the person named in the sample). If the appropriate person was not available, a time was made to re-contact the household.

Each household where there was no answer, or the respondent was not available, was called eight times over the course of the interviewing period, at various times of the day/evening.

A strict record was kept of the number of refusals and the reason for each refusal (too busy, concerned about confidentiality, not interested in topic etc). Records were also kept of other reasons as to why interviews could not be completed (discontinued telephone numbers, emergency contact numbers only supplied, moved, hard of hearing, etc). This information is provided in a field report in appendix 3 of the survey of sole parents who left the benefit for employment. **(In this report refer to Appendix Four, Part F: A National Survey of Sole Parents Who Left the Benefit for Employment).**

The greatest share of the telephone interviewing took place in the evening and weekends. However, where necessary, interviews were also conducted during weekday mornings and afternoons.

A small interviewing team was used for this project. All interviewing staff were skilled in working with clients/former clients of the Department of Work and Income, and dealing with topics which are personally sensitive or potentially controversial in nature. The team consisted solely of female interviewers.

The final response rate for the telephone component of the research was 39%.[133]

[133] The response rate is calculated as the proportion of the eligible sample that participated in the survey, over all those eligible who participated, refused, terminated or could not be contacted.

1.2.4.2 Face-to-face interviews

Eighty-four interviews were conducted using a face-to-face methodology (8% of the total sample). These interviews were conducted with those who either returned a mailback form (which accompanied the introductory letter) indicating that they did not have access to a telephone but would like to be included in the research, or did not return the mailback form or contact the research company to decline to take part.

This component of the research was undertaken in collaboration with Consumer Link, using Consumer Link's team of national interviewers for interviews outside Auckland (Forsyte Research interviewing staff undertook all interviews in the Auckland area). Interviewers were given a list of addresses of non-telephone owners and asked to contact each potential respondent until quotas were met. For households where no one was home when the interviewer called, or the sole parent ex-beneficiary was not available to be interviewed at that time, a series of two additional call backs to that household was made by the interviewer (on different days and at different times where possible).

To enhance consistency between telephone and face-to-face interviews, the same questionnaire was used in both methodologies. All questionnaires received from the face-to-face component were checked in the field, re-checked by Forsyte Research, and data-entered into the survey programme.

The final response rate for the face-to-face component of the research was 22%.[134]

1.2.5 Respondent profile

A demographic profile of respondents included in the research is provided in appendix 4 of the survey of sole parents who left the benefit for employment. In this report refer to Appendix Four, Part F: A National Survey of Sole Parents Who Left the Benefit for Employment.

1.2.6 Presentation of results in the report

This report provides an in-depth analysis of the results from the survey. The total sample column provides the *weighted* results for all respondents (the results being weighted to match the location, ethnicity, age, gender and age of youngest child distribution of the total population of those having moved from the DPB into work since July 2000, as well as the mix of telephone and face-to-face interviews). The report also provides results by ethnic group (Māori, Pacific Peoples and Other), and age of youngest child (younger than six years, 7-13 years, and 14 years and over). Where a result is significantly higher for one group than another, this is indicated by an upward arrow (↑) beside the higher value, along with a letter indicating which column the result is significantly higher to.

Further cross-analysis has also been undertaken by the following key demographic variables:

- gender - male and female
- age of respondent - under 30 years of age, 30-39 years, 40-49 years and 50 years and over
- number of dependent children - none, one, two and three or more
- highest education/training qualification - no formal qualifications, school qualifications only, certificate or diploma, teaching qualifications, and university qualifications
- location - 13 Department of Work and Income regions
- length of time receiving a benefit - less than two years, two to four years, five to nine years, 10 to 19 years, and 20 years or more
- length of time in workforce - less than five years, five to nine years, 10 to 14 years, 15 to 24 years, and 25 years or more
- current occupation - 10 Statistics New Zealand Standard Occupation Classification categories (single digit level)
- number of hours worked - full-time (30 hours a week or more), and part-time (less than 30 hours a week).

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[134] The response rate is calculated as the proportion of the eligible sample that participated in the survey, over all those eligible who participated, refused, terminated or could not be contacted.

Where statistically significant differences (at the 95% confidence interval) occur, these have been identified in the text. If no differences are indicated, it should be assumed that the differences were not statistically significant. The significant difference analysis for the variables in the list above is provided in appendix 7 of the survey of sole parents who left the benefit for employment. In this report **refer to Appendix Four, Part F: A National Survey of Sole Parents Who Left the Benefit for Employment.**

1.3 Evaluating OSCAR Development Assistance and the OSCAR subsidy

The evaluation method combined the generation and analysis of primary data with the analysis of secondary and documentary material. Both quantitative and qualitative methods have been used.

To reduce the impact on parents, providers and other stakeholders data collection for the evaluation of OSCAR Development Assistance *(DA)* and the OSCAR subsidy was carried out in tandem. DA providers were also important participants because the OSCAR subsidy was seen as a critical component in the entry of those providers into OSCAR services or the extension of those providers' existing OSCAR services.

The pluralist approach to data collection used in this evaluation draws on a variety of data sources and types. It is fundamental to triangulation. Triangulation is the process by which conclusions drawn from different data source and data types are tested against each other. Findings consistently emerging out of differing data sources and types can be treated with more confidence than contradictory findings or conclusions drawn from one data source or type.

1.3.1 Document analysis and secondary source material

DWI provided a range of documentation related to the DA including:

- contracting data related to funding allocations and take-up of DA funding
- OSCAR subsidy data
- training material related to OSCAR.

Additional secondary source data on the OSCAR DA was provided by the National Association for OSCAR (NAOSCAR) including information it gathered in relation to:

- OSCAR services gathered by way of a national survey
- OSCAR service standards
- DA programmes and providers.

1.3.2 Qualitative data collection and analysis

The qualitative data collection involved a combination of key interviews and focus groups both:

- at the national level
- in selected regions.

National level data collection

At the national level, there were interviews with:

- administrator/manager of OSCAR DA contracting at DWI
- CYFS personnel involved in OSCAR-related activities, particularly the approval of providers
- key policy agencies – LMPG and MSP[135]
- key OSCAR stakeholders.

Regional level data collection

[135] LMPG is the Labour Market Policy Group and is part of DOL. MSP was the Ministry of Social Policy and as of 1 October 2001 became part of the Ministry of Social Development.

The data collection focused on four regions as follows:

- Northland
- South Auckland
- Bay of Plenty
- Christchurch.

As a set, these regions provided an urban, provincial and rural mix and were well aligned with the following selection criteria:

- Low-income communities that provided some opportunities for employment and training
- significant populations of Māori and/or Pacific Peoples
- communities with OSCAR providers
- communities which have some OSCAR development assistance investment either currently or in the past.

In each region, focus groups and/or interviews were held with each of the following groups:

- OSCAR providers who receive DA funding and were in their second year of funding
- OSCAR providers who are approved but not receiving DA funding
- Parents with OSCAR providers.

Overall, 14 focus groups and 22 interviews were held. These involved a total of:

- 23 OSCAR providers receiving DA funding[136]
- 23 OSCAR providers who are approved but not receiving DA funding
- 47 parents with OSCAR providers.

Participants for the focus groups with OSCAR parents and with OSCAR providers were recruited in a variety of different ways. In all regions a contact was first made with the local NAOSCAR representative who provided a list of OSCAR providers in the area who fulfilled the criteria set out above. Both telephone, and where requested, written contact was made with these providers. They were invited to take part in a focus group or interview. Written confirmation of focus group/interview date, time and place was sent to all providers who agreed to take part.

In each region one to two providers were also asked to invite up to eight parents to participate in separate focus groups, which the provider would host. Tentative dates and times were arranged during the first or second contact with providers. Written and/or verbal confirmation of focus group dates, time and place was made about a week before the focus group was scheduled. In Auckland, focus groups proved difficult to organise. However, one provider organised a group of parents who were willing to participate through individual phone interviews.

In the Northland, South Auckland, Bay of Plenty and Christchurch regions we were assisted through NAOSCAR, local community groups or providers to co-ordinate the OSCAR focus groups. Groups who provided venues, contacts, and/or refreshments for the focus groups and gave us assistance to contact providers or parents were given a koha.

In focus groups and interviews the discussion further explored issues from Phase 1 around the current payment mechanisms and the impacts on: parental take-up; compliance costs for providers and parents; provider attitude and response to provider-directed and parent-directed models of subsidy payment. However, the focus groups/ interviews concentrated on:

- awareness among parents about OSCAR services and the OSCAR subsidy
- the adequacy of the hourly rate to encourage eligible parents to claim OSCAR subsidies

[136] Fifty-two services took up funding by 30 June 1999. A further 43 providers were contracted by 30 June 2000. We interviewed 23 DA providers who had taken up the first of two years of the funding available to them in the regional case studies at the time of interviewing in October to December 2001.

- the adequacy of the hourly rate to keep OSCAR providers in the market
- the extent to which subsidies paid to parents are being directed to purchasing OSCAR services or redirected by parents to elsewhere.

In addition to the focus groups, a set of key interviews was undertaken in each region with:

- local DWI staff dealing with payment issues – Regional Managers issued invitations to offices and centres in their areas for interested DWI staff to participate
- Community Employment Group (CEG) fieldworkers dealing with OSCAR development assistance providers
- local NAOSCAR fieldworkers.

1.3.3 Quantitative data collection and analysis

Quantitative primary data was collected by way of both an OSCAR provider survey and a survey of parents who have received an OSCAR subsidy.

The OSCAR provider survey

OSCAR providers were surveyed between January and February 2001. That survey included all providers identified as having parents who received an OSCAR subsidy at some time between February 2000 and 30 May 2000. A subset of the provider respondents to that survey was also in receipt of DA funding. The data for that subset was drawn out separately for the purpose of this report.

To maximise the response rate providers were sent two written reminders. Where regions had a low response rate, providers who had not yet returned their questionnaire were also given a telephone reminder. In addition, NAOSCAR agreed to promote awareness of the evaluation and the survey in their monthly newsletter.

The survey consisted of a self-complete, postal questionnaire with 17 closed-ended questions and 14 open-ended questions. That questionnaire was designed to capture data relating to parental patterns of service demand, issues around the approvals process, pricing and funding, payment systems, and viability issues. Appendix B provides a copy of the questionnaire (In this report refer to Appendix Four, Part B: Evaluations of the Oscar Subsidy and Oscar Development Assistance).

A questionnaire was sent to 244 providers identified as having parents in receipt of a subsidy between the target dates.[137] Of those, two questionnaires were returned as non-delivered. Five providers indicated they were no longer operating. One hundred and sixty-four questionnaires were returned. This is a response rate of 69 %.

Twenty-five of the 244 providers were identified as DA providers. Of these, 20 returned a completed questionnaire. The response rate for DA providers was 80 %.

Data from the closed-ended questions from the survey were input onto the Statistical Package for the Social Sciences (SPSS).

Parent survey

OSCAR parents were surveyed over three months between February and May 2001.[138] That survey was intended to be a national census of all parents registered as receiving an OSCAR subsidy at some time between 20 November 2000 and 16 February 2001. This period was chosen to ensure that parents using OSCAR services over the school holidays and/or during term time would be among the parents surveyed.

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[137] Actual numbers of eligible providers were difficult to determine due to inconsistent inputting of provider names on the SWIFTT database, and differences in providers' legal names and service names. Every attempt was made to find contact details for all providers identified by subsidy parents. However, this was not possible in a number of cases.

[138] This survey was commissioned by MSD in consultation with DOL.

The survey consisted of a self-complete, postal questionnaire with 21 closed-ended questions and six open-ended questions. That questionnaire was designed to capture quantifiable data relating to parents' experiences with the OSCAR subsidy, in particular:

- the extent to which parents are affected by under-supply of certain OSCAR services, the locality and periods of under-supply
- the outcomes of the OSCAR subsidy for parents in relation to increased employment/training opportunities/benefits (e.g. increased hours of work, increased income)
- how parents found out about OSCAR services and the subsidy.

To maximise the response rate a freepost return envelope was included with the survey and parents were offered the incentive of entry into a prize draw if their questionnaire was returned by the due date.

Parents were also sent two written reminders. Any parent who had not sent in a completed questionnaire after the two written reminders also received a telephone reminder and was given the option to complete the questionnaire over the phone. Telephone reminders were not possible in all cases. Contact details from the SWIFTT database were not always up-to-date, resulting in disconnected or incorrect telephone numbers being provided.

In late February 2001, a questionnaire was sent to 1,376 parents identified asbeing in receipt of a subsidy between the target dates. Of those, 19 surveys were returned as non-delivered. Four parents indicated they were not eligible to fill in the questionnaire. 937 questionnaires were returned completed. This is a response rate of 69 %.

DWI notified CRESA towards the end of this initial phase of surveying that DWI had confronted problems with drawing the complete target population off the SWIFTT database. As a consequence, the initial surveying was not a census of all parents receiving the OSCAR subsidy. The initial database compiled by DWI included only beneficiary parents and had omitted 460 non-beneficiary parents who received an OSCAR subsidy.

Those non-beneficiary parents were a substantial proportion of parents receiving an OSCAR subsidy over the target period. They were also a particularly important group in terms of the policy objectives of both DA and the OSCAR subsidy. The omitted population was surveyed using the method used for the beneficiary parent group with slight amendments to the questionnaire.[139] In early April that questionnaire was sent to 460 non-beneficiary parents registered as being in receipt of an OSCAR subsidy. Of those, eight questionnaires were returned as non-delivered. Of the 452 contacted non-beneficiary parents, 303 non-beneficiary parents returned a completed questionnaire. The response rate for the second group of parents was 67 %.

Overall there was a response rate of 69 % with 1,240 questionnaires being returned from 1,802 contactable and eligible parents. Typically responses to mail questionnaires are low, usually less than 50 %. This response rate is comparatively high and within the boundaries of response that could be expected from telephone interviewing.

High response rates reduce the likelihood of sample bias. Nevertheless, typically, postal, self-complete questionnaires tend to be more positively responded to by those with higher socio-economic status. The variation in the population surveyed in this parent survey is minimal, however. All the parents fall into the lower socio-economic group. Sample bias, then, is likely to be reduced to a potential bias of excluding those who have difficulty with written English. This could disadvantage some ethnic minorities and reduce their representation within the respondent population. Any bias of that nature cannot be tested because, in the interests of keeping the questionnaire short and encouraging a high response, ethnic data was not collected.

We believe the potential for bias within the respondent population was reduced by:

- the availability of a freephone number – a number of questionnaire recipients rang for assistance to fill in the questionnaire

[139] These were minor changes related to postback dates and so forth.

- telephone follow-up which gave questionnaire recipients with written language difficulties an opportunity to provide their responses orally.

Data from the closed-ended questions from the survey were input onto the Statistical Package for the Social Sciences (SPSS).

1.4 Process evaluation

1.4.1 Sample

A total of 31 DWI staff from six Service Centres throughout the country were interviewed for this evaluation. Table 101 details the sample breakdown.

Table 101: DWI staff interviewed

Service Centre	*Number*	*Service Centre Managers*	*Case Managers*[140]	*Team Coach*	*Team Trainer*
Central Auckland	6		4	1	1
South Auckland	6	1	4	1	
Masterton	5		5		
Napier	7		7		
Christchurch	4		4		
Palmerston North	3		3		
Total	31	1	27	2	1

SOURCE: Interviews with Case Managers, 2001

The final sample of Service Centres was jointly agreed upon between the evaluators, and representatives of DOL and DWI. The selection was designed to obtain a broad range of views and experiences from Case Managers of the implementation of the DPB and WB reforms. This required a mix of Service Centres from urban, rural and provincial areas (which for the most part took account of regional labour markets) as well as centres with a mix of ethnic groups such as Māori and Pacific Peoples. In addition, the centres were selected to mirror, where possible, the DPB and WB shorter-term outcomes evaluation work.[141]

The respective Service Centre Managers provided to the evaluators a list of staff names, consisting of Case Managers, work coaches and team trainers, who had been with DWI for at least 18 months (preferably prior to the introduction of the DPB and WB reforms) and for whom DPB and WB recipients were or had been a significant part of their caseload.

From the lists provided, staff were sent a letter explaining the purpose of the evaluation, with an undertaking that their names would remain confidential to the evaluators and that participation was voluntary.

[140] This grouping also included five Case Managers who had previously worked as Compass co-ordinators and one current co-ordinator.

[141] The shorter-term DPB and WB outcome evaluation, a qualitative piece of work focused on:

- employment and education and training outcomes for sole parent beneficiaries
- earnings and hours worked by sole parent beneficiaries
- links between assistance measures and outcomes achieved by sole parent beneficiaries
- shorter-term effects of the DPB and WB reforms on the families and children of sole parent beneficiaries.

The areas in which the research took place were Auckland, Hawke's Bay, the Wairarapa and Christchurch.

1.4.2 Methodology

Interviews were conducted by way of six focus groups comprising four to six staff members from each of the Service Centres except in the South Auckland Service Centre – where two smaller groups of two to three staff were held to accommodate the Centre's workflow. The composition of the focus groups in the evaluation consisted mainly of front-line staff that have or have had caseloads with DPB and WB recipients. Focus groups were considered appropriate because they provided both comparisons and contrasts of how the benefit reforms have been implemented within the different Service Centres. Within the focus group process feedback was sought from individual respondents to ensure that no one person dominated the discussion. Staff who participated in the evaluation spoke openly and frankly, although at times they needed to be reassured of anonymity for their Service Centre and for themselves.

Interviews lasted between 1 to 1.5 hours and were undertaken at a time designated by the Service Centre Manager – these tended to coincide with staff training times, which alleviated the need to impinge on operational times. Interviews were undertaken between 25 and 29 June 2001.

1.5 Post-Placement Support pilot evaluation

NOTE: The full evaluation of the outcomes of PPS was not completed in time to be included in this report. Information on PPS in this report relies on qualitative interviews undertaken with some PPS participants and PPS providers.

1.5.1 Design

In-depth interviews were held with all clients (PPS clients, non-pilot clients and PPS co-ordinators), using semi-structured interview guides (refer to Appendix Four, Part D: A Limited Evaluation of the Post-Placement Support Pilot). Interviews were held mostly with individuals, who were invited to have a support person present. Some interviews were held with relevant affinity pairs (e.g. PPS co-ordinators in the same region).

1.5.2 Sample

The final sample comprised:

- 36 PPS clients
- 25 non-PPS clients
- 9 PPS co-ordinators.

The demographic breakdown of PPS and non-PPS participants is set out in Table 102. The PPS co-ordinators were from the Christchurch, Auckland South and Wellington regions.

Table 102: PPS participants and non-participants

	Number of Interviewees
Gender	
Female	49
Male	12
Ethnicity	
Māori	17
Pacific Peoples	11
Pākehā/Other	33
Age	
> 40 years	15
26 – 39	37
< 25 years	9
Geographic distribution	
Wellington, Auckland & Christchurch PPS participants	36
Wellington, Auckland & Christchurch non-PPS participants	15
Hawke's Bay non-participants	10

1.5.3 PPS clients

The 36 PPS clients were divided across three regions - South Auckland, Christchurch and Wellington.[142] As shown in Figure 1 above, the sample included both sexes, a range of cultures (Māori, Pacific Peoples and Pākehā), and people aged from early 20s to mid 50s. The sample was also varied on the following characteristics:

- children of different ages (pre-school through to late teens)
- family/whānau size (number of children living at home)
- time since last employment
- duration since relinquishing the DPB
- type of employment (professional, white collar, pink/blue collar).

Included within the sample also were PPS clients who were receiving in-house versus external provider support services.

We also interviewed at least two to three customers per region who had been clients in the PPS pilot and who have not remained in their employment, to obtain feedback on the usefulness to them of the PPS service and its part in their retaining or leaving their employment.

1.5.4 Non-PPS clients

A total of 25 people were interviewed who did not participate in the PPS pilot. These were distributed across the four regions (see Figure 1), and included:

- people who were offered the PPS service but declined it

[142] It was decided not to include PPS participants in Hawke's Bay as there were so few of them that maintaining confidentiality of their feedback would be difficult.

- people who were not offered the PPS service.

These people comprised a representation on the following criteria:

- range of cultures
- different age groups
- number of dependants
- varying duration since relinquishing the DPB
- did/did not have a good relationship with their Case Manager
- experienced a Compass co-ordinator as Case Manager, versus other Case Manager.

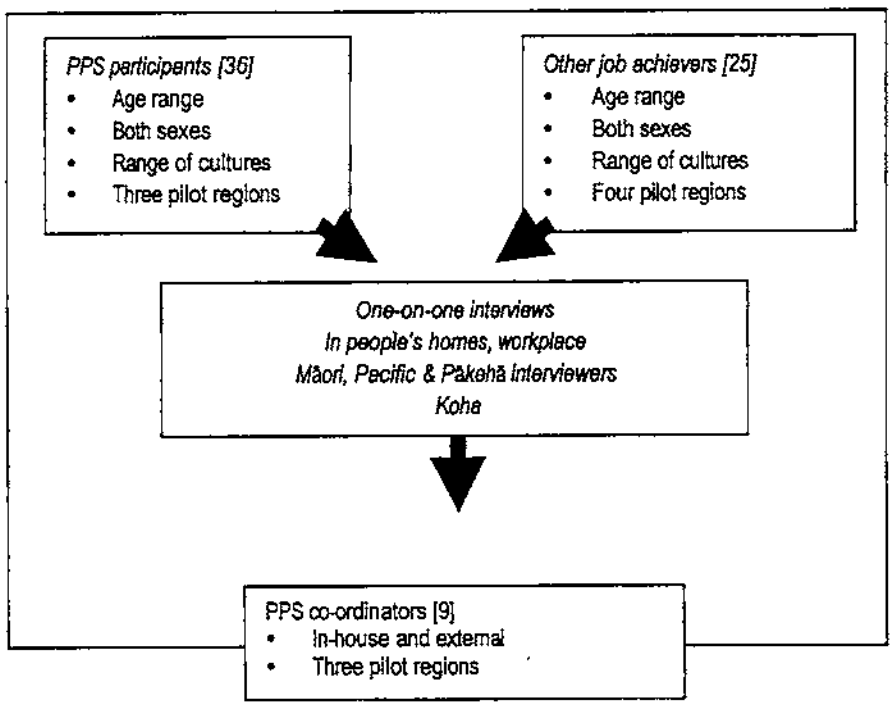
1.5.5 PPS co-ordinators

In order to get a holistic understanding of the reasons for varying degrees of success and effectiveness of the pilot across regions and clients, interviews were held with PPS co-ordinators in Christchurch, South Auckland and Wellington. Both in-house and external co-ordinators were interviewed.

1.5.6 Data collection approach

Key aspects of the research approach are set out in Figure 2.

Figure 12: Research approach



1.5.7 Recruitment

Recruitment was undertaken by the researchers, to maintain participant anonymity. The Department sent a letter to all PPS clients, and to selected non-PPS clients, notifying them that they might be contacted by the research team to request an interview. Recruitment followed sampling grids to obtain a representation of people with the characteristics set out in 1.5.3 and 1.5.4. We attempted to obtain as many men and non-Pākehā as possible within the sample, to ensure these perspectives.

1.5.8 Interviews

Interviews were informal, following semi-structured interview guides (see Appendix Four, Part D: A Limited Evaluation of the Post-Placement Support Pilot) which were piloted with two PPS clients and

then used flexibly according to the client's culture and whether they had received an in-house or external PPS service. Interviews were approximately 1 to 1.5 hours in length, and were held either in the client's home or in another venue of their choosing (e.g. cafe). All clients were invited to have a support person present at the interview, at their preference.

Pilot interviews

The interview schedule was piloted with three to four respondents and modified as necessary.

Recording data

Clients were asked for permission to tape record interviews. Where this was declined, comprehensive interview notes were made during or immediately following the interviews, as appropriate.

Koha

All clients were given an appropriate koha in appreciation of their time and information, to the value of approximately $30.

Interviewers

All interviewers were female researchers experienced in interviewing Māori and Pacific People as well as Pākehā, and women with children.

Confidentiality and other ethical issues

Informed consent was obtained from all evaluation participants, both clients and PPS co-ordinators.

1.5.9 Data analysis

The data was analysed through a combination of content analysis and discourse analysis of each researcher's interviews, with comparisons being made across:

- sex
- age
- culture
- PPS clients versus non-PPS clients
- people receiving services from in-house versus external service providers.

The information gathered from all four regions was aggregated and synthesised in an analysis workshop. The four researchers worked systematically through the interview topics, looking for both common themes or patterns and differences, based on the factors set out above, as well as other characteristics of the clients which were relevant to their status as people leaving the DPB for employment.

Appendix Two

1 Additional demographic data

Table 102: Age of DPB recipients by ethnic group (June 1996-April 2001)

Ethnic Group	Age Group <20	20-29	30-39	40-49	50-59	60+	Average Age	% Total	Base
Māori	6%	45%	36%	12%	2%	0%	31	100%	36,534
Pākehā	3%	34%	40%	18%	4%	1%	34	100%	46,761
Pacific Peoples	4%	41%	37%	14%	4%	1%	32	100%	8,530
Other	2%	24%	42%	24%	6%	2%	36	100%	5,226
Not coded	1%	21%	44%	25%	8%	2%	32	100%	12,383
Total	3%	38%	41%	12%	4%	1%	32	100%	109,433

Base is average per month and covers the 59 months of the study.
SOURCE: DWI administrative data, 2001

Table 103: Age of WB recipients by ethnic group (June 1996-April 2001)

Ethnic Group	Age Group <20	20-29	30-39	40-49	50-59	60+	Average Age	% Total	Base
Māori	1%	5%	18%	47%	28%	1%	53	100%	1,870
Pākehā	1%	6%	13%	48%	32%	1%	54	100%	4,045
Pacific Peoples	1%	6%	21%	41%	31%	1%	53	100%	609
Other	1%	6%	16%	43%	34%	1%	54	100%	639
Not coded	0%	4%	15%	56%	24%	0%	52	100%	2,106
Total	1%	6%	7%	54%	33%	1%	52	100%	9,269

Base is average per month. In this case 59 months for inclusive period of study.
SOURCE: DWI administrative data, 2001

Table 104: DPB recipients by ethnic group and number of dependent children (June 1996-April 2001)

Ethnic Group	Number of Dependent Children									
	None	1	2	3	4	5	6 or more	% Total	Base	Ave. no.
Māori	1%	48%	30%	14%	5%	2%	1%	100%	36,534	1.8
Pākehā	4%	50%	32%	11%	3%	1%	0%	100%	46,761	1.7
Pacific Peoples	1%	43%	29%	16%	7%	3%	1%	100%	8,530	2.0
Other	4%	48%	32%	12%	3%	1%	0%	100%	5,226	1.7
Not coded	6%	43%	32%	13%	4%	1%	0%	100%	12,383	1.8
Total	3%	48%	31%	13%	4%	1%	0%	100%	109,433	1.8

Base is average per month. In this case 59 months for inclusive period of study.
SOURCE: DWI administrative data, 2001

Table 105: WB recipients by ethnic group and number of dependent children (June 1996-April 2001)

Ethnic Group	Number of Dependent Children									
	None	1	2	3	4	5	6 or more	% Total	Base	Ave. no.
Māori	59%	25%	10%	4%	1%	1%	0%	100%	1,870	1.6
Pākehā	81%	9%	7%	2%	1%	0%	0%	100%	4,045	1.8
Pacific Peoples	49%	26%	13%	7%	3%	1%	0%	100%	609	1.9
Other	75%	12%	9%	4%	1%	0%	0%	100%	639	1.7
Not coded	77%	12%	7%	2%	1%	0%	0%	100%	2,106	1.7
Total	73%	14%	8%	3%	1%	0%	0%	100%	9,269	1.7

Base is average per month. In this case 59 months for inclusive period of study.
SOURCE: DWI administrative data, 2001

Table 106: DPB – Age of youngest dependent child by ethnic group (June 1996-April 2001)

Ethnic Group	Age of Youngest Dependent Child						
	0-5 years	7 - 13 years	14+ years	No child	% Total	Base	Average
Māori	63%	28%	4%	6%	100%	36,534	5.7
Pākehā	52%	34%	5%	9%	100%	46,761	5.7
Pacific Peoples	68%	23%	3%	7%	100%	8,530	4.6
Other	50%	34%	6%	10%	100%	5,226	5.9
Not coded	34%	44%	7%	14%	100%	12,383	7.0
Total	55%	32%	5%	8%	100%	109,433	5.6

Base is average per month. In this case 59 months for inclusive period of study. Average age applies only to those with children "no child" was excluded from the base.
SOURCE: DWI administrative data, 2001

Table 107: DPB – Age of youngest dependent child by ethnic group (June 1996-April 2001)

Ethnic Group	Age of Youngest Dependent Child						
	0-5 years	7 - 13 years	14+ years	No child	% Total	Base	Average
Māori	8%	19%	7%	65%	100%	1,870	8%
Pākehā	4%	9%	3%	84%	100%	4,045	4%
Pacific Peoples	9%	22%	8%	61%	100%	609	9%
Other	4%	11%	4%	61%	100%	639	4%
Not coded	3%	11%	4%	82%	100%	2,106	3%
Total	5%	12%	5%	78%	100%	9,269	5%

Base is average per month. In this case 59 months for inclusive period of study. Average age applies only to those with children "no child" was excluded from the base.
SOURCE: DWI administrative data, 2001

Table 108: DPB duration by ethnicity (June 1996-April 2001)

Ethnic Group	Duration								
	6 mths<	>6-12 mths	>1-2 years	>2-3 years	>3-5 years	>5 years	% Total	Base	Average duration
Māori	16%	13%	19%	13%	15%	24%	100%	36,534	3.4 yrs
Pākehā	17%	13%	19%	13%	16%	22%	100%	46,761	3.2 yrs
Pacific Peoples	17%	14%	20%	14%	16%	19%	100%	8,530	3.0 yrs
Other	19%	15%	20%	14%	15%	18%	100%	5,226	2.8 yrs
Not coded	8%	6%	11%	10%	15%	50%	100%	12,383	3.6 yrs
Total	15%	12%	18%	13%	16%	26%	100%	109,433	3.3 yrs

Base is average per month. In this case 59 months for inclusive period of study.
SOURCE: DWI administrative data, 2001

Table 109: WB duration by ethnicity (June 1996-April 2001)

Ethnic Group	Duration								
	6 mths<	>6-12 mths	>1-2 years	>2-3 years	>3-5 years	>5 years	% Total	Base	Average duration
Māori	8%	8%	14%	11%	16%	42%	100%	1,870	5.1 yrs
Pākehā	12%	10%	16%	13%	17%	34%	100%	4,045	4.3 yrs
Pacific Peoples	10%	9%	16%	12%	17%	35%	100%	609	4.5 yrs
Other	12%	11%	18%	13%	17%	28%	100%	639	3.8 yrs
Not coded	6%	5%	9%	8%	15%	55%	100%	2,106	3.8 yrs
Total	10%	9%	14%	11%	16%	40%	100%	9,269	4.3 yrs

Base is average per month. In this case 59 months for inclusive period of study.
SOURCE: DWI administrative data, 2001

Appendix Three

1 Examples of jobs associated with occupational categories

These categories were used to describe the occupations held by respondents in the survey of sole parents who left the benefit for employment.

Code 1: Legislators, Administrators and Managers	Examples include: legislator; senior government administrator; senior business administrator; general manager; production/operators manager; human resources manager; and sales and marketing manager.
Code 2: Professionals	Examples include: computing professional; medical doctor/dentist; teaching professional (all levels); accountant; barrister/solicitor; counsellor; engineer; nursing/midwifery professional; librarian; and religious professional.
Code 3: Technicians and Associate Professionals	Examples include: dental assistant; physiotherapist; veterinary assistant; real estate agent; travel consultant; sales representative; book-keeper; social work professional; author/painter/other artist; and decorator/designer.
Code 4: Clerks	Examples include: typist/word processor operator; data entry operator; filing clerk; secretary; accounts clerk; bank officer; receptionist/information clerk; telephone switchboard operator; debt collector; and mail carriers/sorters.
Code 5: Service and Sales Workers	Examples include: housekeeper; waiter/bartender; hairdresser/beauty therapist; police officer; salesperson/demonstrator; fashion model; cook/kitchen hand; hospital orderly/nurse aid; caregiver; and forecourt attendant.
Code 6: Agriculture And Fishery Workers	Examples include: market gardener; fruit grower; nursery grower; landscape gardener; livestock producer; apiarist; forestry worker/logger; fishery worker; hunters/trappers; and animal welfare worker.
Code 7: Trade Workers	Examples include: bricklayer; carpenter/cabinet maker; plumber; painter/paperhanger; electrician; radio and television servicer; butcher; baker; dressmaker; and printer.
Code 8: Plant and Machinery Operators and Assemblers	Examples include: welders; papermaking plant operators; wood products machine operators; power generating plant operators; machine tool operators sewing machine operators; scaffolder; drainlayer; crane/earthmoving machine operators; and heavy truck/bus/taxi drivers.
Code 9: Elementary Occupations	Examples include: cleaner; caretaker; courier/deliverer; hotel porter; refuse collector; packer; builder's labourer; and street cleaner.

Appendix Four

Part A: An Analysis of DWI Administrative Data

Part B: Evaluations of the Oscar Subsidy and Oscar Development Assistance

Part C: A Limited Evaluation of the Implementation of the DPB and WB Reforms

Part D: A Limited Evaluation of the Post-Placement Support Pilot

Part E: Literature Review

Part F: A National Survey of Sole Parents Who Left the Benefit for Employment

Part G: A Shorter-Term Qualitative Outcomes Study

Copies of these reports are available on request from Ministry of Social Development or the Department of Labour.