

## Highlights UK

### Babies and Bosses – Policies towards reconciling work and family life

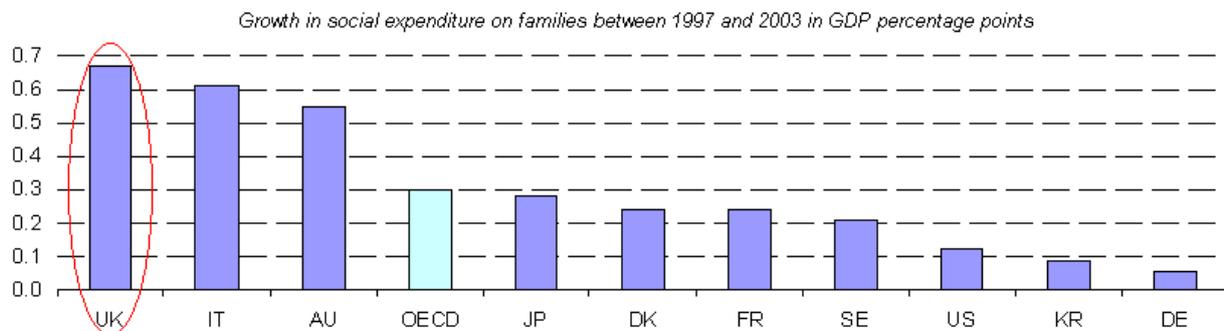
[www.oecd.org/els/social/family](http://www.oecd.org/els/social/family)

- *Spending on families with children in the UK is above average for the OECD and has increased by almost a third since 1997 – one of the biggest increases in spending anywhere in the OECD area. But some outcomes remain very poor.*
- *Despite recent improvements, sole parent employment rates are very low, leading to low incomes and poverty.*
- *Incentives for mothers to work in the UK need to be increased by reducing the net cost of childcare and increasing out-of-school-hours care.*

#### *Social spending on Families*

In the UK social expenditure on families is above the OECD average, accounting for around 3 percent of GDP in 2003. Since 1997 the UK has increased public spending on families very rapidly (see figure 1). Most of this money goes on cash payments (1.8 percent), and of this around 60% (or 1.2 % of GDP) is transferred through universal Child Benefit payments. This is a lot of money -- the entire public primary school budget is just 1.7% of GDP. The majority of the in-kind expenditure is accounted for by child day-care and pre-primary childcare (0.6% of GDP). Despite this spending on families with children some outcomes remain poor.

**Figure 1: Social expenditure on families in the UK has increased at twice the OECD average rate in recent years**

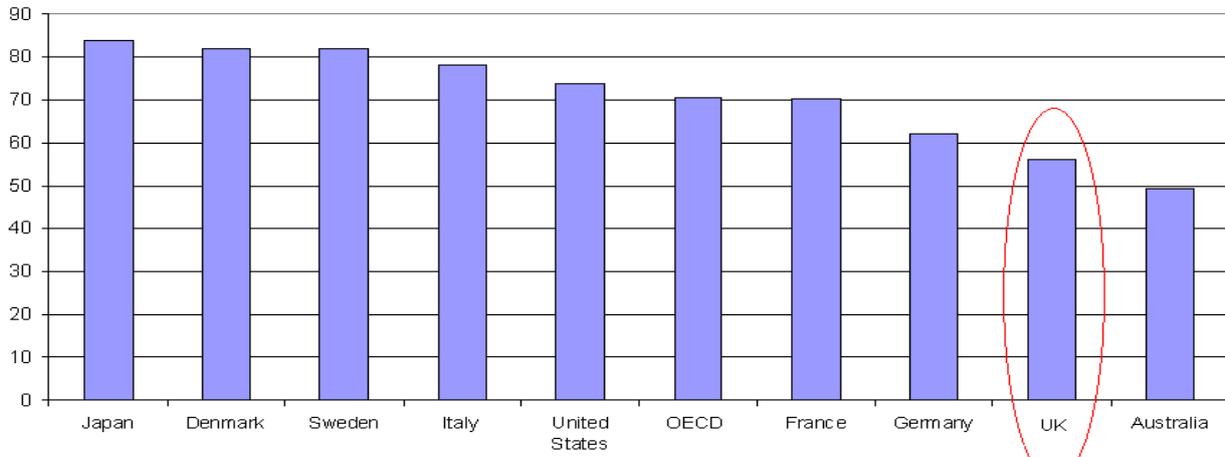


Source: Social Expenditure Database, 2007

#### *Sole Parent Families Employment Rate*

The sole parent employment rate remains a big problem. Only just over half (56%) of sole parents work -- well below the OECD average (see figure 2). Households without a parent in paid employment are particularly likely to be poor.

**Figure 2: Almost half of the sole parents in the UK are not in paid employment**  
*Sole Parent Employment Rates 2001-2005*



General note: the data for EU countries for which only 2001 Eurostat data are available (see below), concern sole parent employment rates for the age group 25-49, and as they do not include groups for which employment is typically lower (very young sole parents and older women), they are not fully comparable with data for the other countries. More cross-nationally consistent data is being collected for the OECD Family database for release during 2007.

Sources: Australia, Australian Bureau of Statistics; 6224.0.55.001 FA2 Labour Force Status and Other Characteristics of Families; Statistics Denmark (1999); ; Japanese authorities (2001 data); UK office of National Statistics; and the US Current population survey; all other EU-countries, Eurostat (2001 data). Unless stated otherwise, data are for 2005.

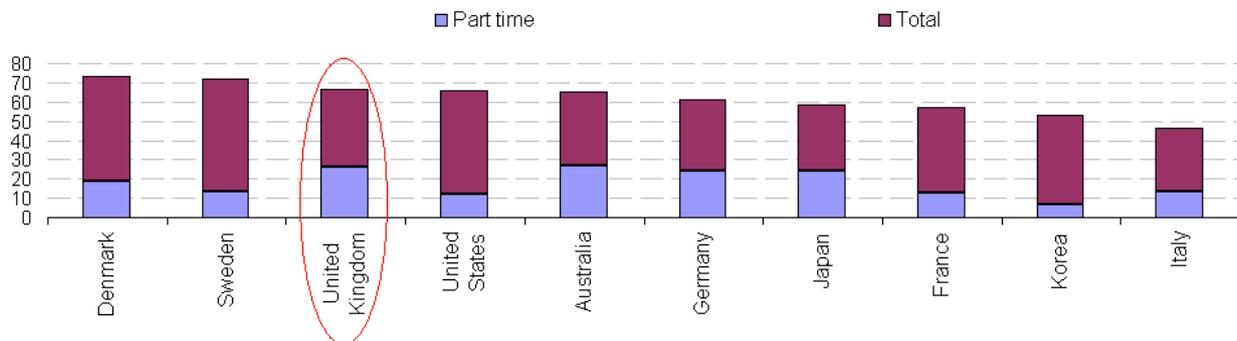
Source: Babies and Bosses Vol. 5 (2007)

*Women and work*

Most sole parents are female. In the UK about 70 percent of women go to work; however, around 2 in 5 British women are working part time – one of the highest proportions in the OECD (Figure 3). Part-time workers often do not have the same career opportunities as full time workers. When women work in the UK they are paid less than men, and though this is the case in all OECD countries, the pay gap in the UK is above the OECD average. Affordable childcare is still beyond the reach of some households, and provision of out-of-school-hours care is low, preventing some women from working.

**Figure 3: Almost 70% of UK Women are in paid employment, but over a third of positions are part time**

*Employment/population ratio, ages 15-64 by full or part-time, 2006*



Source: OECD Family Database, 2007