

Working Paper

An international comparison of approaches to assisting partnered women into work

by Jo Ingold

Department for Work and Pensions

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The Author

Jo Ingold received her PhD from the University of Sheffield and this working paper draws on her PhD research. She has previously worked for the young people's charity Brook and in central government, including for the DWP. Her research interests include women, work and care, policy change and policy learning.

Abbreviations

AMS	National Labour Market Authority (Denmark)
AWT	Australians Working Together
CCB	Childcare Benefit
CCR	Childcare Rebate
DEWR	Department of Employment and Workplace Relations (Australia)
DEEWR	Department of Education, Employment and Workplace Relations (Australia)
DWP	Department for Work and Pensions
EPF	Employment Pathway Fund
EPP	Employment Pathway Plan (Australia)
ESOL	English for speakers of other languages
ESRC	Economic and Social Research Council
ESA	Employment and Support Allowance
EU	European Union
IAP	Individual Action Plan
IS	Income Support
JETCCFA	Jobs, Education and Training Child Care Fee Assistance
JN	Job Network (Australia)
JSA	Jobseeker's Allowance
JSA	Job Services Australia
NDP	New Deal for Partners
NSA	Newstart Allowance (Australia)
OECD	Organisation for Economic Co-operation and Development
POEM	Partners Outreach for Ethnic Minorities
PA	Personal Adviser
PP	Parenting Payment (Australia)
PPp	Parenting Payment (partnered)

PPs	Parenting Payment (single)
UC	Universal Credit
WFI	Work Focused Interview
WFIP	Work Focused Interview for Partners
WTW	Welfare to Work (Australia)

Summary

Background

There has been increasing policy interest in assisting partnered women¹ as well as lone parents into work. This relates to the policy goals of reducing the numbers of workless couple households and of reducing child poverty. The New Deal for Partners of the Unemployed introduced in 1999 (later New Deal for Partners (NDP) and Jobseeker's Allowance (JSA) joint claims introduced in 2001 aimed to target partners of main benefit claimants who, as a group, had previously been remote from the public employment service. NDP has been followed by a succession of policy initiatives which aim to help partners, most of whom are women, into work. This includes the Partners Outreach for Ethnic Minority (POEM) Pilot and most recently the extension of JSA joint claims to couples with children, as well as the broader context of Universal Credit (UC) and the Work Programme.

Aims of the research

The research was commissioned by the Department for Work and Pensions (DWP) and was funded by an Economic and Social Research Council (ESRC) CASE PhD studentship in collaboration with DWP. The study had two main aims. Firstly, to examine the benefit and service policies in other Organisation for Economic Co-operation and Development (OECD) countries which are most effective in assisting partnered women into work. Secondly, to assess the transferability of these policies to the British context. The research comprised case studies of Australia and Denmark, involving documentary analysis and 52 interviews with policy actors in 2009. Britain was both the starting point and the end point for the research.

The research examined reforms in Australia beginning with *Working Nation* (1994) and subsequent reforms targeted at lone and partnered parents receiving Parenting Payment (PP): *Australians Working Together* (2003) and *Welfare to Work* (2006). In Denmark the study examined the 300 hours rule (*300 timers reglen*) introduced in 2006 for married couples claiming social assistance (means-tested) benefit, in the context of Danish 'activation' policies since 1994.

Partnered women in the three countries

Across all three countries there is a similar proportion of partnered women within the benefits systems and in each of the countries partnered women not in paid work share similar constraints on working, including caring responsibilities (particularly childcare), health problems or disability, literacy/language problems, lack of qualifications and lack of work experience.

In Britain NDP had limited success both in engaging partners (particularly women) to join the programme and in terms of job entries. In Australia, *Working Nation* increased the part-time employment rate of partnered women, particularly for those without children and following *Australians Working Together* (AWT) there was a minor increase in the number of partnered parents in employment. *Welfare to Work* (WTW) was only partially successful in achieving its outcomes: there was a marginal increase in the number of partnered women in work and in those leaving benefit for paid work but higher transfers to other non-activity tested benefits. However, these small quantitative effects must be balanced by the difficulties the programme caused partners in managing their own work and caring responsibilities by enforcing a specific quantity of paid work without regard to labour market demand.

¹ 'Partnered women' describes women in married or cohabiting relationships.

Danish activation is viewed as successful in reducing unemployment. However, it is less effective for harder-to-reach groups and there is a lack of evidence regarding its effects on various target groups, such as partnered women. The 300 hours rule resulted in more social assistance recipients moving into work and a reduced number of claims. However, the apparent success of the rule must be balanced against the extent of associated financial hardship through women losing their benefit.

Findings

A key finding from both Australia and Denmark was that to engage with partnered women and assist them into work requires them to be given access to means-tested social assistance as individuals, not as dependent partners. In both Australia and Denmark individual activity testing accompanied individual entitlement to benefit. In Australia this began with partial individualisation of benefits under Working Nation from 1995. By contrast, in Britain for most partners increasing conditionality in the form of Work Focused Interviews (WFIs) came first under enhanced NDP but was not accompanied by access to benefits in their own right as individuals, contributing to the confusion inherent in the policy and the programme's lack of effectiveness.

Another key finding was that it is not possible to focus on the success of Danish activation for partnered women without acknowledging the foundation of daycare upon which active labour market policies are based. Bearing in mind the pervasiveness of policy learning from Denmark (promoted by the European Union (EU) and the OECD) it could amount to policy learning failure if Danish activation policies are transferred without sufficient attention being paid to this aspect. In Australia childcare was also identified as a key component of assisting partnered women into work: Australia has more established provision than Britain and an increased number of childcare places accompanied the increased activity requirements for partnered parents.

It is essential that good alternative care is available at the time of job search, so that childcare is not viewed as another 'obstacle' to be overcome when parents take up suitable work, as this undermines the developmental goals of such care. The availability of alternative care as a foundation for activation not only helps to facilitate the transition into work, but potentially reduces detrimental effects on the welfare of children arising from their parents' transitions in and out of unsustained work. In Britain considerable progress in improving the baseline of childcare provision has been made since 1998. However, one of the barriers to work for partnered women is the cost of childcare, compounded by a complex range of subsidies and a low baseline compared to Australia and Denmark.

The most recent programmes examined in Australia and Denmark were viewed by many policy actors as shifts towards workfare, imposing a specific number of hours of paid work on partnered women, rather than merely participation in active labour market programmes. In both Australia and Denmark frontline staff considered that existing programmes were having an impact on the labour market participation of disadvantaged partnered women in a supportive way that took account of their individual circumstances. However, symbolic policy making and the need for 'quick wins' resulted in more punitive approaches being adopted in both countries which limited how far such support could be tailored to partnered women's needs. These programmes were not viewed as likely to be effective in the longer-term.

Evaluation evidence in Britain and Australia suggests that for the majority of partners, work is often perceived as an option for the future when circumstances change, such as when their own or their partner's health improves, or when their children reach school-age. One-off interventions are rarely able to capitalise on such changes to household circumstances. Policy actors in Australia felt that it was essential to offer support in advance of increased conditionality requirements and that this approach was a key missing component of the Australian reforms.

This cross-national analysis supports the evaluation of the POEM pilot in emphasising the importance of one-to-one responsive support for partners. Central to the Danish activation approach was the ability of frontline actors to construct a package of support to overcome constraints on working, based on the provision of repeated activation offers. The British Personal Adviser (PA) model can learn from the Danish example in relation to the joined-up nature of the assistance provided by social workers, who have a key role in the Danish employment service model. The decentralised Danish policy delivery model and social workers' links with other support services within local authorities enable them to effectively address barriers to work other than unemployment. These wider, enabling services were not viewed as successfully integrated into the Australian approach.

In the context of UC, the case of Australia illustrates that caution should be exercised in treating partnered parents in the same way as other jobseekers. There are also lessons to be learned from the Australian experience:

- the importance of building on activities already being undertaken by partnered women and not assuming inactivity;
- by being sensitive to the constraints on working as a result of childcare responsibilities.

A key policy lesson to be learned from Australia is the importance of defining work-related activity in a broad way, particularly when there are fewer jobs available.

Policy recommendations for Britain

From the case studies of Australia and Denmark this research highlights three key aspects of policy learning for Britain in relation to partnered women:

- partial individualisation of partnered women's access to means-tested benefits;
- the importance of good quality, accessible and affordable pre- and post-school age childcare as a foundation for active labour market policies for partnered women;
- individually responsive employment assistance to address the varied needs of partnered women.

Partial individualisation of benefits

The primary aim of the NDP should still be supported - namely, that it should be one of a raft of policies to encourage at least one partner into work, with the aim of encouraging both partners to access their own income.

The partial individualisation of benefits achieved in Australia was an important precursor to engaging directly with partnered women through active labour market policies. In Britain JSA joint claims brought partnered women into the benefits system but this should be extended beyond conditionality to partially individualised entitlement and payment. For non-working partners, access to their own income is likely to both encourage relationship stability as well as provide a buffer against poverty if one partner loses their job. Welfare reforms which curtail contributory and universal benefits are likely to result in partnered women's increased dependency on their partners through means-tested benefits.

The Australian reforms highlight how individualised means testing may be accommodated within a benefits model of largely household-based assessment of income. However, attention should be paid to potential disincentives to work associated with UC for second earners, an aspect also highlighted in the Australian system.

Although identifying the lead carer in couples for the purposes of UC recognises the importance of caring for children, it also risks reinforcing partnered women's labour market withdrawal and gendered roles. There should be flexibility for couples to easily exchange roles without affecting their benefit.

Benefit categories based on relationship status are unhelpful in assisting partners into work. The system should recognise the fluidity of family formations and allow for changes in relationship status.

UC has some similarities with the system of part and full benefit payments in Australia. However, in Australia policy goals relate not only to entering work and moving off benefit, but also to increasing the number of parents receiving part payments with earnings, as a stepping stone to moving into work. If benefits are to provide a more fluid function in terms of income security as well as in-work support/wage supplementation this needs to be accompanied by complementary policy goals which move away from a focus on 'dependency'.

Childcare

It is particularly important that the DWP recognises the importance of good quality, accessible pre- and post-school age childcare as a foundation for active labour market policies for partnered women while not viewing it as purely instrumental to work.

There is considerable scope to learn from the Danish model in terms of marking positive linkages between the pedagogical goals of childcare as well as recognising its importance in facilitating partnered women's labour market participation. This requires government to move beyond the notion of childcare as an unwelcome intervention in the private sphere of the household. However, it must also recognise the diversity of the childcare needs of families including that some partnered women still have a preference to care for their children, or to use informal care - although this is sometimes a result of the inadequacy of alternative provision available.

The DWP and the Department for Education should together make sure there are sufficient childcare places in tandem with the requirements of welfare reforms and that this is regularly monitored. Given local authorities' responsibility for making sure the supply of early years provision meets local demand (including diverse cultural needs), attention should be paid to potential tensions which may arise between the local and national dimensions of policy delivery. The impact of the potential closure of some Children's Centres is of concern, particularly in relation to the supply of childcare and the links which have been built up between centres and Jobcentre Plus.²

The complex range of childcare subsidies, combined with inadequate provision of sufficient quality results in a patchwork of different services which may not be suited to families' needs. It would be advantageous to streamline the subsidies for childcare to reduce both policy complexity and disincentives to work for partnered women. UC offers a potential opportunity to review this, but it may be preferable to keep such subsidies separate but simple, as in Denmark. Importantly, the three- and four-year old baseline entitlement should be maintained and increased, while ensuring coherence with other policy areas such as benefits/tax credits. 'Work requirements' in relation to childcare subsidies should be broadened to include study and training, as in Australia.

The Australian system of childcare subsidies provides support for informal care (such as by relatives) and this could be explored in the British context.

² See Marangozov, R. & Stevens, H. (2010) Work-focused services in children's centres pilot. Interim report. DWP Research Report No 677, Norwich, Stationery Office.

Individually responsive employment assistance

If all Income Support (IS) recipients are to receive employment assistance from one programme, there needs to be an effective method of assessing distance from the labour market. However, assessment tools may also reinforce claiming identities in the same way as benefit systems based on categories and tools which are too standardized may not be suitable for such a varied group as partnered women. The Australian case suggests that caution should be exercised in treating partnered parents in the same way as other jobseekers.

There are also lessons to be learned from the Australian experience in terms of, first, the importance of building on activities partnered women are already undertaking and not assuming inactivity, and second, by being sensitive to partners' constraints on working due to caring responsibilities. A key policy lesson to be learned is the importance of defining work-related activity in a broad way, particularly when there are fewer jobs available.

The British PA model can learn from the Danish example in relation to the joined-up nature of the assistance provided by social workers, facilitated by their links with other support services within local authorities. This enables them to effectively address barriers to work other than unemployment. The Work Programme proposes to address wider barriers to work, however public spending reductions may affect other important services (for example, housing, health and social services) which frontline workers need to include in their packages of support for partnered women. It is important that policy makers view active labour market policies in this wider context and take advantage of opportunities to align Jobcentre Plus with such services at a local level.

In Denmark social workers have more flexibility, time and resources and they are also less focused on compliance, although there is still a role for sanctions in the Danish model. In Britain the current reforms risk focusing on compliance for partners rather than on providing a personalised pathway into work, particularly at a time of reduced investment in employment services and a lack of labour market demand. The cases of both Australia and Denmark suggest that reducing the amount of benefit, or removing it, does not necessarily need to accompany increased conditionality for partnered women, particularly if this results in increased poverty for households and for children.

For partners, constraints on working are intra-household and for these to be effectively addressed requires that frontline staff have sufficient time to build up relationships with partners and have the flexibility and resources to tailor support to their requirements. This is particularly important in the context of public spending cuts, the relatively weak labour market and the limitations of contracted provision highlighted by this and other studies. Individualised support needs to be accompanied by flexibility at the frontline in terms of regularity of contact with partnered women, as well as with regard to sanctions.

Both the Danish and Australian experiences demonstrate that there appears to be little to be gained by implementing an approach which specifies an arbitrary number of hours of activity. The Australian experience highlighted the difficulty of meeting strictly prescribed requirements in a labour market which has precarious or irregular employment, which is also the case in Britain. Instead, policies should reflect labour market opportunities and individual circumstances, particularly the availability of flexible work.

A long-term view of sustainable work should be taken, accounting for partnered women's existing skills and experience, as well as the jobs available. This requires recognition of the importance of achieving 'softer' outcomes (as in POEM) such as movement closer to the labour market through training, work experience and upskilling. It is important that programmes which may bring longer-term benefits are not compromised by the need for early and visible 'results,' particularly in the current context of reductions in public expenditure.

The 'keeping in touch' arrangements proposed by the Government may be helpful in encouraging parents to consider a future time when they will be required to look for work. However, evidence for such an intervention in Australia suggests that this may not have an impact, particularly for those with very young children for whom work requirements will be a distant consideration. Rather, it is important to offer a range of more focused support to partnered women in advance of full conditionality to assist them in becoming work-ready, such as skills updating, qualifications, training and other support.

It is important that Jobcentre Plus does not become marginalised in the new British 'welfare market' model, predominantly fulfilling a policing function as Centrelink does in Australia. This could potentially undermine the valuable skills and experience PAs have³ which evaluation evidence suggests is crucial for partners.

Conclusion

In Britain, a key problem for partnered women's engagement in the labour market is that, although many vital components are in place, there appears to be a lack of coherence overall, unlike in Denmark where there is a 'life course' approach based on linking up parental leave, daycare and activation policies. It may continue to be difficult to engage partners in couples with established gender roles which, in turn, may be reinforced by the benefits system. It is, therefore, important that these wider issues are addressed through policies such as gender equality within the benefits system, the promotion of shared parental leave and the gender pay gap.

Although the Danish flexicurity system is not easily transferrable to other countries this does not preclude translation to the British context and Danish policy makers are keen to promote such contextual policy learning. Both Britain and Denmark have flexible labour markets: Denmark provides flexibility for employers while also making sure workers' rights are protected, including by providing a safety net of IS. Within this framework activation is increasingly work first and demanding but also retains supportive elements, augmented by the role of the trade unions as social partners.

The decentralisation of labour market policies in Denmark provides an important focus on the local labour market context which benefits partnered women as well as employers. Devolution to this level allows frontline staff to link up with other local services to assist this group in overcoming their barriers to work. This latter aspect in particular was missing from the Australian WTW programme. The Australian and British cases are more similar but this does not mean that lessons should be transferred without taking into account the negatives as well as the positives and this underlines the importance of context. In Britain discussion of issues such as localism and further labour market flexibilisation may benefit from policy learning from Denmark. However, it is to be hoped that current and future reforms in Britain will take account of the context of the enabling services which also support Danish activation but which were largely missing in Australia.

³ See McNeil, C. (2009) *Now It's Personal: Personal advisers and the new public service workforce*, London, Institute for Public Policy Research. See also Ingold, J. (2001) *Adviser skills*. Employment Service internal working paper, Sheffield, Employment Service.

1 Introduction

1.1 Background to the research

There has been increasing policy interest in assisting partnered women⁴ as well as lone parents into work. This relates to the policy goals of reducing the numbers of workless couple households and of reducing child poverty. The New Deal for Partners of the Unemployed introduced in 1999 (later renamed the New Deal for Partners (NDP)) aimed to target partners of main benefit claimants who as a group had previously been remote from the public employment service. This programme has been followed by a succession of policy initiatives which aim to help partners, most of whom are women, into work.

1.2 Aims of the research

This research was commissioned by the DWP and was funded by an ESRC CASE PhD studentship in collaboration with the DWP. The study had two main aims. Firstly, to examine the benefit and service policies in other OECD countries which are most effective in assisting partnered women into work. Secondly, to assess the transferability of these policies to the British context. Further detail about the methodology and the research questions is in Appendix A. The research comprised case studies of Australia and Denmark, involving documentary analysis and 52 interviews with policy actors in 2009. Britain was both the starting point and the end point for the research.

The research questions which guided the study were:

- What are the most relevant benefit (and service) policies and labour market interventions within a range of OECD countries that relate to the situation of partnered women in non-working households of working age?
- How and for which groups of partnered women have these policies been effective at facilitating labour market participation, and to what extent are elements of these policies likely to be transferable to Britain?
- What have been the driving factors and social and economic contexts behind the introduction of such policies and what lessons follow regarding transferability to Britain?

The analysis used two key theoretical concepts. Firstly, ‘welfare recalibration’ (Ferrera and Hemerijck, 2003) which describes the incremental changes in policies relating to partnered women in the three countries. Secondly, ‘policy as translation’ (Lendvai and Stubbs, 2007) was used to highlight the ways in which positive policy outcomes from Denmark and Australia can be translated into policies and programmes in Britain and how negative policy outcomes may be avoided. Appendix B provides a more detailed description of the theoretical framework which informed the research design and analysis.

In Australia the focus was on reforms to PP, beginning with the creation of this payment by Working Nation in 1994, followed by *Australians Working Together* (2003) and *Welfare to Work* (2006). In Denmark the study examined 300 timers reglen (300 hours rule) introduced in 2006 and specifically targeted at married couples of an ethnic minority (particularly immigrants) in the context of ‘activation’ which requires all benefit recipients to be ‘active’ in return for benefit, with

⁴ ‘Partnered women’ describes women in married or cohabiting relationships.

few exemptions. The research compares and contrasts these programmes with the British context, in particular the NDP. The study considers policies in Australia and Denmark until September 2009, but this timescale is extended for the British policies to consider policy learning and the change of government in May 2010.

1.3 Report structure

The following Chapter 2 sets out the policy ‘problem’ of partnered women not in paid work as evidenced in the three countries.

Chapter 3 outlines a comparison of the policy approaches, focused on benefit delivery; employment assistance and activation approaches; and childcare as a foundation for activation.

Chapter 4 discusses the lessons learned for Britain in terms of the partial individualisation of benefit and the provision of both childcare and individually responsive employment assistance.

Chapter 5 makes specific policy recommendations for British policy makers.

Chapter 6 provides a short conclusion to the report.

2 The policy 'problem'

2.1 Workless households

The focus of the research was predominantly on couple households where neither partner was in work, in the context of the increased risk of poverty for workless households in Britain - particularly those with children. Table 2.1 shows the share of workless households in the three countries: Australia's family worklessness is the second highest of all OECD countries after the UK and Denmark has the lowest of the three.

Table 2.1 Share of working age population living in workless households, 2005

	UK ¹	Australia	Denmark
Jobless households	16.3	14.2	9.2
Jobless households with children	14.9	11.9	4.7

¹ OECD data is for the UK but the focus of this research was on Britain and more specifically England and Wales.

Source: Whiteford, 2009, p.23

Each of the three countries has a similar of proportion of partnered women within the benefits systems. In Britain there were 277,000 workless couple households with dependent children and 658,000 workless couple households without dependent children (National Statistics, 2008), with approximately 350,000 partners receiving support through the benefits system (DWP, 2008, p.126). The majority (69 per cent) of partners of benefit recipients are women living with a male main claimant (DWP, 2004).

In Australia there are around 163,800 couple families with non-working working age males, comprising eight per cent of the total number of couples (Baxter, 2005, p.2). Partnered women were employed in 39 per cent of these couples, compared with 74 per cent of couples with an employed male (Baxter, 2005, p.2). In 2005 there were a total of 167,272 partnered parents receiving PP. Of these, 56,087 were partnered with someone receiving Newstart Allowance (NSA) (equivalent to Jobseeker's Allowance), with 86,184 receiving PP because they were on a low income (Department of Families Housing Community Services and Indigenous Affairs, 2009).

In Denmark there are 1,332,382 couples in the population (Statistics Denmark, 2009). Of these, in 2008 there were 35,831 married couples with children and 12,633 without children receiving means-tested social assistance (the equivalent of the benefits claimed in Britain and Australia).

In Australia the programmes examined by this research were designed to address the comparatively lower employment rates of, firstly, wives and partners of unemployed men and, more recently, parents both lone and partnered. In Denmark the 300 hours rule targeted at ethnic minority married couples was based on the comparatively lower employment rate for women of non-Danish origin compared with the very high rates for Danish women in general (Statistics Denmark, 2009).

In each of the countries women in workless couples share similar constraints on taking up paid work. In Britain constraints include:

- childcare responsibilities;
- access to childcare;
- other caring responsibilities (such as caring for the main benefit claimant);
- health problems or disability;
- literacy/language problems; and
- lack of qualifications and recent work experience.

In Australia constraints on working for partnered women include:

- incomplete secondary education;
- ill health or a disability;
- caring for a sick spouse or other family member;
- having children aged under five; and
- poor language skills.

In Denmark constraints on working were:

- ill health;
- lack of employment experience;
- poor language skills;
- childcare or home responsibilities; and
- labour market discrimination.

2.2 The policies

2.2.1 Britain

In 1999 the Labour government introduced the New Deal for Partners of the Unemployed (now NDP), offering employment assistance on a voluntary basis to partners (mainly women) of benefit recipients (mainly men). The rationale for this programme was that existing social security and labour market policies treated partners as dependent spouses outside the remit of the employment service when they could perhaps be better placed to take up paid work than the main benefit claimant (Taylor, 1998, Department of Social Security, 1998). It also reflected the emphasis of the Labour government on reducing child poverty and worklessness and a renewed social contract of 'rights and responsibilities'.

NDP was followed by JSA joint claims in 2001, which was a significant policy shift in relation to partnered women. This required previously dependent partners in couples without children to claim JSA as a joint claim along with the main benefit claimant. In 2004 NDP was re-launched as the Enhanced NDP and Work Focused Interviews for Partners (WFIPs) were introduced as a gateway to NDP. Additionally, the POEM pilots ran in a number of selected Jobcentre Plus areas from 2007 to 2009, aiming to assist partners of an ethnic minority claimant into work, whether they were receiving benefit or not.

The starting point for this research was the limited success NDP has had in terms of both engaging partners (particularly women) to join the programme and in job entries. Between April 2004 and August 2009 of the 9,120 partnered women starting the caseload, 4,380 left NDP for paid work (DWP 2010a). Specifically, in 2005-06, 300,000 partners were identified as eligible to join NDP, but only three per cent did so (House of Commons Committee of Public Accounts, 2008). The job entry rate was 48 per cent but, based on estimated calculations of deadweight, it helped only 61 partners into work who would not otherwise have secured jobs without the programme.

The Welfare Reform Act 2009 legislated for the extension of JSA joint claims to couples with children and the current Government plans to use this provision to extend joint claims to parents with a child aged five or over. Within these couples there is expected to be a 'lead carer' who may restrict their availability for work until their child is aged 13. In JSA-claiming couples with children aged between one and five the 'lead carer' is expected to attend WFIPs with Jobcentre Plus every six months. In relation to non-JSA benefits, couples where there is at least one partner who is not able to work may, depending on the circumstances, choose to claim JSA, Employment and Support Allowance (ESA), or in some cases IS. The general thrust of the policy is to increase participation by partners in the labour market.

2.2.2 Australia

In Australia the policy driver for reforms was similar to Britain: although dependent partners might be better placed to take up work than main benefit claimants they were not within the remit of the employment service. The first reform (under Labour) was *Working Nation* (1994) which required dependent partners to claim benefit in their own right. It also began a process of changes to the IS system for partnered women, resulting in the introduction of PP. This is paid to the person designated as the 'Principal Carer Parent' if they care for a dependent child aged less than 16, and is intended to assist families not in work or on a low income with the costs of caring for children.

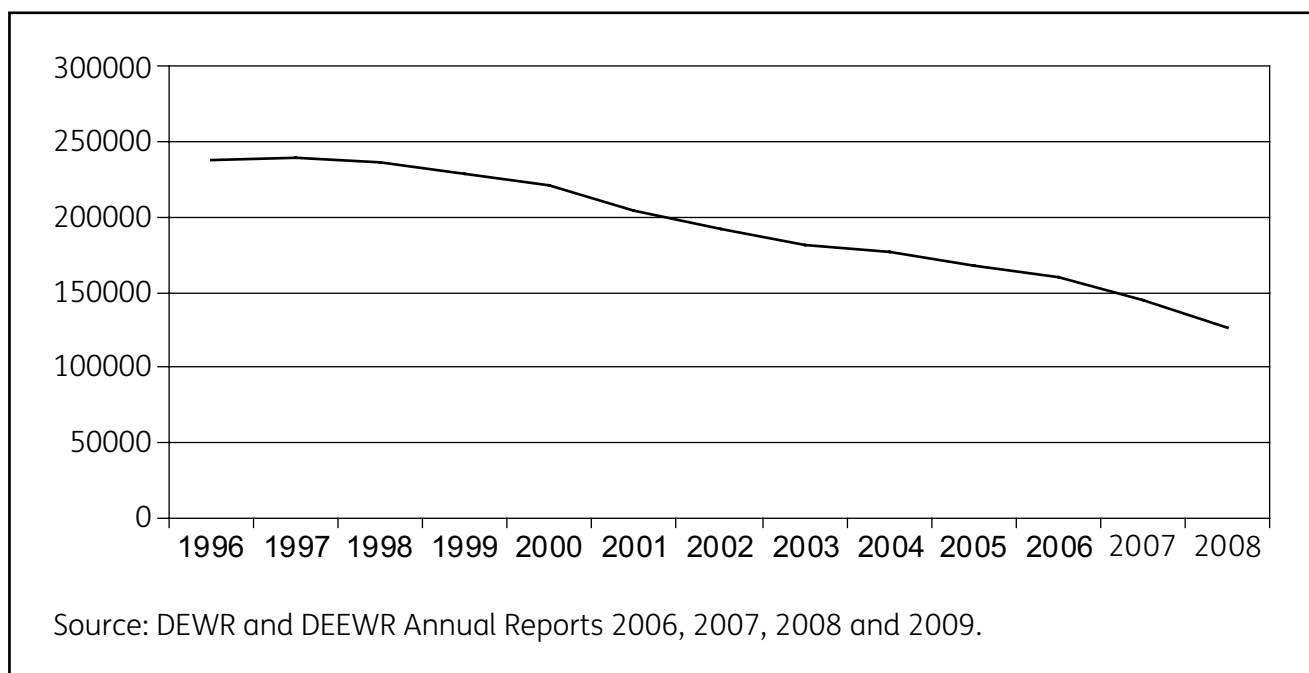
The research also examined subsequent changes to this payment under the Liberal-National Coalition. The McClure Report (McClure, 2000) recommended that the 'Mutual Obligation' principles (similar to the British 'rights and responsibilities') applied to unemployed benefit recipients should be extended to parents in a broad way. Following *Australians Working Together* from September 2003 lone and partnered parents whose youngest child was aged between 13 and 15 years were required to develop a Participation Agreement detailing activities they would undertake to move closer to work. Parents with children aged between six and 12 years had to attend an annual participation planning interview, with further participation being voluntary.

Since the introduction of *Welfare to Work* (2006), both partnered and lone parents on PP are required to undertake, or search for, paid work of at least 15 hours per week when their youngest child is aged six and to undertake an annual 'Mutual Obligation' activity. New partnered claimants with a youngest child aged six are required to claim NSA, but lone parents are not required to do so until their youngest child is aged eight.

Figure 2.1 shows that the numbers of partnered parents receiving PP has been consistently decreasing. Following *Australian Working Together* (AWT) partnered parents' rate of participation in paid employment increased from 24 per cent to 27 per cent and the number of partnered parents reporting average fortnightly earnings over \$400 increased from 37 per cent in 2001/02 to 49 per cent in 2003/04 (Department of Employment and Workplace Relations, 2005, Social Research Centre, 2005).

The number of partnered parents participating in study increased from five to 16 percentage points and this was seen in policy terms as a first step towards employment. Importantly, the programme formalised activities already being undertaken by partnered parents, including education, training and voluntary work, highlighting that they were not 'inactive'.

Figure 2.1 Numbers of Parenting Payment Partnered recipients in Australia, June 1999 – June 2008



Following WTW there was a marginal increase in those leaving benefit for paid work and inflows to PP significantly decreased. However, WTW affected only a small percentage of the PP population, was only partially successful in achieving its outcomes and there was an indirect effect of transfers to other non-activity tested benefits (Department for Education, Employment and Workplace Relations (DEEWR), 2010). The relatively small quantitative effects must be balanced by evidence of the difficulties the programme caused parents in managing their own work and caring responsibilities by enforcing a specific quantity of paid work without regard to labour market demand (see Chapter 3).

2.2.3 Denmark

The labour market reform of 1994 under the Social Democrats was a watershed for Danish labour market policy, reducing the duration of unemployment benefit receipt (previously unlimited) to four years and introducing the 'right and duty' to 'activation' (*aktivering*). In 1998 activation was extended to recipients of means-tested (social assistance) benefits. In comparison with the Australian and British approaches of targeting specific groups of benefit recipients, Danish activation is 'encompassing,' where there are very few exceptions to the requirement to be 'active' in order to receive benefit. The concept of 'dependent' partners is less visible in the Danish context so *300 timers reglen* (300 hours rule) introduced in 2006 was an anomalous policy in its specific targeting of married couples.

The rule was preceded by the similarly anomalous 'spouse supplement' in the 2002 labour market reform *More People into Work* introduced by the Conservative-Liberal government. This effectively took the regressive step of de-individualising social assistance benefits by requiring that benefit could only be paid to the spouse who could prove their availability for work in couples where both spouses were claiming social assistance. A 'spouse supplement' was paid for the dependent partner (usually female) who was considered to be working at home unless they could prove their availability for work. It was primarily aimed at ethnic minority married couples (particularly immigrants) who were assumed by policy makers to have a different cultural understanding of the dominant dual earner model in Denmark - this was seen as problematic for activation which

requires all to be active. The spouse supplement applied to only a small number of recipients and was abolished as part of the 2005 labour market reform *A New Chance for All*.

This package of measures predominantly focused on the integration of immigrants, including legislating for the introduction of the 300 hours rule in 2006. From the date of introduction the rule requires married (not cohabiting) couples claiming social assistance to prove that they have worked for 300 hours within the last two years in order to continue receiving their benefit. The spouse who has not accrued 300 hours of paid work loses their benefit entitlement. Only one spouse may lose their entitlement and once they accumulate 300 hours of paid work they may claim again. From 1 July 2011 the 300 hours requirement will increase to 450 hours.

Table 2.2 The effects of Danish activation interventions

Type of interventions	Effects
Search activity	Probability of leaving benefit increased during first 8 months Probability decreases after one year
Private job training for short period	Largest direct employment effect but large variations for different people On average reduces dependence on benefits by 16 percentage points
Municipal employment projects for short period	On average reduces dependence on benefits by six percentage points
Education	Difficulties in measurement as effects may be in the longer-term Possible lock-in effects ¹ , but these may be less for women
Wage subsidised jobs	Number of ordinary employees falls by 0.4 every time someone is employed on a wage subsidy

¹ Whereby people search less intensively for work during participation, or because they prefer to complete their activation before applying for work.

Source: Kvist *et al.*, 2008

Danish activation is considered by many academics and commentators to have played a key part in contributing to the 'Danish miracle' of moving from very high unemployment in the late 1980s/early 1990s to a pattern of considerably low unemployment. This is also the main reason for the export of activation as policy learning to other countries by the EU and OECD. However, it is seen as being less successful for harder-to-reach groups with multiple barriers to work and there is a lack of specific evidence regarding its effects on various target groups, such as partnered women. Table 2.2 summarises the key data concerning the effects of the main types of activation.

The 300 hours rule predominantly affected women and immigrants and resulted in more recipients moving into work, as well as a reduced number of claims. Around a third of those who lost their benefit moved into paid work, compared with 25 per cent who remained on benefit (Bach and Larsen, 2008). However, its apparent success must be considered alongside the financial hardship which affected couples who lost their benefit, such as being unable to pay their rent (Bach and Larsen, 2008, p. 129). Of the 28 spouses who lost their benefit in one local authority area examined during this research, 12 regained their benefit, three divorced⁵ and nine secured at least 300 hours of work. The rule did not result in a high number of sustained job entries and the destinations of many who lost their benefit are unknown. Removing benefit risks pushing partners outside the benefit and employment service systems and possibly the open labour market too.

⁵ Some policy actors interviewed suggested that the rule encouraged marriage break-up because it did not apply equally to cohabiting and married couples.

3 Comparisons of policy approaches in the three countries

3.1 Benefit delivery

3.1.1 The social security systems in Australia and Denmark

The Australian working-age social security system has two main types of benefit: pensions⁶ and allowances. Parenting Payment (single) (PPs) is a pension which is paid at a higher rate to Parenting Payment (partnered) (PPp) which is an allowance. PPs is also accompanied by passported benefits, such as access to healthcare, which are not attached to PPp. In Australia there are full and part IS payments so that partners in low-paid work may still receive part benefit payments; assisting partners in moving from full to part payments is a policy goal.

The threshold for receiving benefit on entering work is based solely on income and not on the number of hours worked, as in Britain. Additionally, Family Tax Benefit Part B provides extra help for one earner-families (lone or couples) with children. WTW also introduced Working Credits which allows benefit recipients to keep more of their IS while working by accumulating credits through work, for example, 450 credits mean an extra \$450 can be earned before benefits are affected. One study found that Working Credit improved the exit rates of both men and women on unemployment benefit, PPs, and PPp (Leigh and Wilkins, 2009).

The Danish system has two principal benefits which form the basis for its encompassing activation: unemployment benefit for insured people and unemployment benefit for uninsured people. Employees can voluntarily join an *Arbejdsløshedskasse* (unemployment insurance fund) which is linked to trade unions, but operated by private companies under the supervision of the Ministry of Employment. To receive unemployment benefit (*dagpenge*) employees must have paid into the fund for 52 weeks in the last three years. Those who are uninsured or whose entitlement for unemployment benefit has expired can apply to local authorities for *kontanthjælp* ('cash-benefits', or social assistance).

Until recently marital status has been less significant to Danish social security and activation policies compared with Britain and Australia. The 2002 reform *More People into Work* introduced a maximum benefit ceiling for couples where one or both spouses had been receiving social assistance for more than six months. As an incentive to work for one-earner couples this benefit reduction was offset by *Ægtefælle tillæg* ('Partner Assistance') where the tax allowance (*Personfradrag*) of the non-working spouse could be transferred to the employed spouse. Aside from this reform and a minor employment deduction introduced in 2004, in-work benefits play a less significant role in Danish labour market policies, perhaps largely because wages are generally higher. The expectation is that partners leave benefit and enter the labour market on a full-time basis.

⁶ This does not refer to retirement pension.

3.1.2 Main claimants, joint claims and individualisation

The key finding from both Australia and Denmark was that for DWP/Jobcentre Plus to engage with partnered women outside the labour market requires them to be provided with access to means-tested social assistance as individuals, not as dependent partners of main benefit claimants. In both Australia and Denmark, individual activity testing accompanies individual entitlement to benefit but this has not so far been the case in Britain. In Denmark entitlement to benefit is individualised, however, means testing for social assistance is essentially household-based for married couples, but this is not strictly the case for cohabiting couples.

In Australia the benefit system prior to *Working Nation* (1994) predominantly treated partnered women as dependents. *Working Nation* followed a policy in 1990 which had similarities to JSA joint claims in Britain, requiring spouses in some workless married couples without dependent children to both claim benefits and to seek work; it also introduced an earnings disregard. The main rationale for moving towards individual *entitlement* to benefit (and partially individualised *payment*) was to encourage job search for both partners (Committee on Employment Opportunities, 1993).

As with non-working couples in Britain, prior to *Working Nation*, it was usually the male partner who claimed unemployment benefit (Warburton *et al* 1999, p. 8). In 1994 two new benefits meant that their dependent spouses received benefits directly. Firstly, Partner Allowance was introduced for spouses aged over 40 with little or no recent work experience.⁷ Secondly, a payment was introduced which recognised the importance of caring for children.⁸ This aimed to provide a financial incentive for one member of a couple to accept a low paid job as the other partner would still receive PP (Australian Government, 1994). However, as in Britain there are strong breadwinner models within couple households which constrain partners' ability to swap caring roles.

The change in entitlement for partners introduced by *Working Nation* was based on evidence that the existing joint entitlement and income tests disincentivised second earners. Following *Working Nation*, entitlement for couples was partially individualised by dividing entitlement into two and restructuring the income test into a 'free area' of earnings disregard, followed by an individual and then a joint income test (in practice this is sequential). The taper rate for those in work was reduced from 100 per cent to a maximum of 70 per cent. The Australian case demonstrates that it is possible to restructure income tests to partially individualise benefit entitlement, even if assessment is still at least partially household-based. However, a number of interviewees highlighted that effective marginal tax rates still constituted a barrier to work for partnered women, particularly second earners.

In Australia the restructuring of income tests was successful (see Warburton *et al*, 1999), encouraging partners to undertake part-time work and to increase the amount of work they were already doing, although the change predominantly benefited older women without dependent children (Burke and Redmond, 2002). Policymakers considered take-up of part-time work to improve partners' prospects of achieving enduring work in the longer-term. Overall the income test changes produced a considerable net saving to the public purse by increasing the number of customers receiving part payments with earnings.

⁷ Closed to new claimants in 2003.

⁸ This began with Home Child Care Allowance, replaced by Parenting Allowance in 1995 and renamed PP in 1998.

In Britain the Welfare Reform Act (2009) under the previous Labour government extended JSA joint claims to couples with children and the current Government will use this provision to require couples with children aged five and over to make joint claims. Similarly to Australia's Working Nation, it was anticipated that this policy change would result in additional claims, but that up to 22,000 partners could be helped into work after three years (DWP, 2009a), with savings to the Exchequer estimated at £3,000 per person per year.⁹

In both Australia and Denmark sanctions are applied individually, but this has not been the case in Britain under either NDP or JSA joint claims and under UC sanctions will still be applied to the household benefit. As Veitch and Bennett (2010) have suggested, attention needs to be paid to both gender equality and autonomy in relation to access to financial support within couples. Jane Millar (Millar, 2004, pp.68-71) has set out four criteria for individualised benefits. She argues that JSA joint claims only meets the first criterion but that Working Nation in Australia broadly met all four.

- 1 Individuals have the right to claim financial support themselves and not simply as an adult dependant of another claimant.
- 2 Assessments of financial need are on an individual basis and do not include the needs and resources of other adults in the household.
- 3 Benefit covers only the needs of the individual and not adult dependents.
- 4 Payments are made to individuals only.

Since the introduction of NDP many partnered women have been subject to asymmetrical conditionality whereby they have been required to take part in WFIPs without accompanying individual access to benefit, only having derived access via the main claimant. This has caused confusion by being an active labour market policy essentially targeted at individuals but based on the dependency of the partnered woman on the main claimant.

3.2 Approaches to activation and employment assistance

3.2.1 Background

In Australia's federal model benefits and labour market policy are the responsibility of the DEEWR at a national level. In 1998 the Commonwealth Employment Service was replaced with Job Network (JN), a national network of contracted private and community sector organisations. At the same time Centrelink was created as a 'one stop shop' for government payments. In July 2009 'Job Services Australia' (JSA) replaced JN, but Centrelink retains its function in relation to benefit delivery. The Australian welfare state has some similarities with Britain's, however, an important difference is that in Australia there are no contributory benefits (apart from superannuation) and the Australian welfare state is seen to provide a more comprehensive (albeit means-tested) safety net than the British system.

Danish flexicurity is promoted across the EU and OECD and comprises the 'golden triangle' of flexible employment protection, encompassing social protection and activation policies, complemented by comprehensive local authority-provided services. Danish labour market policy was decentralised in 1994, with central government (Ministry of Employment and National Labour Market Authority) setting the economic framework and accompanied by an enhanced role for the trade unions as social partners. Between 2007 and 2009 the 'municipalisation of employment policy' devolved

⁹ Amounting to savings in 2012/13 of £15-30m, in 2013/14 of £22.5-45m and in 2014/15 of £32.5-65m.

employment services to local authority-run Jobcenters, providing access to employment, health and social support in one place. In this municipalised model the social partners have a role in both strategic policy making and delivery.

3.2.2 Activation and employment assistance

‘Activation’ describes the shift from the provision of ‘passive’ IS to the provision of benefits on the condition of participation in active labour market programmes to increase employability. In Britain and Australia benefit recipients are divided into categories and subject to targeted activation programmes.

Interviewees in Australia suggested that categorisation within active labour policies which focuses on reasons for not working may in fact reinforce barriers to work. Australia has been increasingly moving away from such categories, although they are still present. Denmark essentially has one encompassing system in which individuals are ‘activated’ on a continuing basis every six months, with slightly differing requirements for insured and uninsured unemployed people. Within this framework there are target groups for intensified activation efforts, such as young people and ethnic minorities.

Table 3.1 Danish activation by target group

Target group	Activation offer
Young people under 25 insured and social assistance	Right and duty to be trained if they are capable of doing so During the training period they receive the same grants as other students
Insured unemployed under 30	Right and duty to activation after 13 months of unemployment - the offer must be for at least six months Repeated activation every six months
Insured unemployed aged 30 to 59	Right and duty to activation after nine months of unemployment Repeated activation every six months
Insured unemployed aged over 60	Right and duty to activation after six months of unemployment Repeated activation every six months
Social assistance recipients under 30	Right and duty to activation before 13 weeks of unemployment Activation period is 18 months ¹ Repeated activation every six months
Social assistance recipients over 30	Right and duty to activation after nine months of unemployment (as insured unemployed) Repeated activation every six months

¹ The number of hours per week is decided by the municipality.

Source: Danish National Labour Market Authority (AMS), 2009

Under the JSA contract there are four streams: the first is for those assessed as closest to the labour market and the fourth for those furthest away. Each support stream is allocated a notional bank of funding (Employment Pathway Fund (EPF)) for training and equipment, but providers have more flexibility than under JN to spend more on an individual if this will benefit their pathway into work, regardless of the stream they are in. There is also flexibility for providers to move individuals between streams as they progress. JSA service providers may contract directly with providers of other support, rather than merely offering referrals as they did under JN.

Table 3.2 Job Services Australia contract provider responsibilities

Stream 1

Initial face-to-face interview, job search, agree Employment Pathway Plan (EPP)

Skills Assessment before end of fourth month

Intensive Activity (30 hours per fortnight for principal carers) by end fourth month including Work for the Dole

Contact requirements: First three months – Centrelink; four months onwards – face-to-face contact with provider on at least monthly basis, timing and duration to be agreed

Streams 2 and 3

Initial face-to-face interview, agree EPP

Individually tailored assistance which may include Skills Assessment, identifying employment or study goals, skills development training, referral to education training, job search training and supported job search assistance, vocational and non-vocational assistance (using EPF)

Stream 4

Complete initial EPP to address most urgent barriers and crisis interventions

More detailed EPP may not be possible – provider needs to build rapport and trust with jobseeker over time

Vocational and non-vocational interventions, Skills Assessment before 12 months, job search, pre-employment and employment assistance including assessments, counselling or professional support, referral, advocacy

All streams

Work Experience Phase after approx. 12 months following Stream Services Review, but jobseekers can participate at any time – lasts for 26 weeks but can be reduced by other activities such as study or paid work, hours per fortnight can be flexible

Source: DEEWR

In Denmark social workers are the principal Jobcenter frontline staff who work with partners receiving social assistance; job counsellors assist those who have unemployment insurance. Individuals are placed into three match-groups¹⁰ (see Table 3.3) during ‘job conversations’. As in Australia individuals may move between categories as they progress. Under the new employment service delivery model from 2009, there is a notional allocation of funding of 18,500 Danish Krone (around £2,500) for each activated person, although as in Australia Jobcenters have the flexibility to spend more on an individual if this will benefit their pathway into work. Both the Danish and Australian models are supported by frequent contact with partnered women. In Denmark this is every three months with flexibility to provide more intensive support. In Australia the JSA contract specifies minimum monthly contact, although with flexibilities including increased contact for those in Stream 4 (and bi-monthly contact during the Work Experience Phase).

¹⁰ Reduced from five match-groups in 2010.

Table 3.3 The three match groups in Danish activation

Match group	Description
1	Immediate match Skills and resources are compatible with job functions widely existing in the ordinary labour market Qualifications and skills within bottleneck areas of labour market
2	Unemployed and ready for activation Matches job functions widely existing in the labour market May be a slight lack of match, for example, specific qualifications
3	Temporarily unable to work, requiring some support or intervention Only partially matches existing labour market requirements Only partially able to perform job functions existing to a certain extent in the ordinary labour market

Source: AMS, 2010

In Australia the focus of employment assistance for partnered women under WTW was job search support and job matching to assist them to obtain work of at least 15 hours a week. In addition they were to undertake a socially useful 'Mutual Obligation' activity once a year, the default being Work for the Dole. WTW also offered an Employment Preparation programme for parents, with immediate access for those without recent work experience and access after three months for those with experience. The programme was used to fund training, clothing, equipment and other assistance such as transport costs and employer incentives and resulted in an increased number of job outcomes (DEEWR, 2010, p. 47).

Within Denmark, there are three main types of activation: (i) guidance and qualification/skills upgrading; (ii) job placements; and (iii) subsidised jobs (up to one year) in both the public and private sectors - in practice most activation offers are combined as Jobcenter staff construct packages of support. 'Integration Jobcenters' provide specific support for new immigrants to Denmark, including mentoring schemes. Social workers facilitate 'Job Clubs' which cover topics such as the Danish labour market, paying tax, daycare and job applications.

The 300 hours rule involved withdrawal of support to spouses on the basis that the benefits and employment assistance provided had not resulted in couples, particularly wives, entering work. However, spouses were given six months' notice that they might lose their benefit and during this time many local authorities intensified their activation efforts to move such couples into work (Jensen and Lauritzen, 2008, p.5-6). Some authorities also devised programmes of support for spouses who had lost benefit, for example, to address cultural and linguistic barriers to work. However, the 300 hours rule reduced social workers' flexibility to construct tailored packages of support for partnered women - this flexibility was viewed by interviewees as the key strength of Danish activation.

In OECD countries individualised employment assistance is linked with contracting-out. In Australia providers receive payments for sustained job outcomes at 13 and 26 weeks and there is weekly post-placement support which is gradually withdrawn. However, many Australian interviewees did not agree that employment assistance for partners under Job Network had been 'individualised' in practice as intended by the policy. They suggested that the work-first approach of WTW was a by-product of contracted-out employment assistance focused on 'quick wins' in terms of job outcomes, rather than on building on partners' existing experience and skill needs, individual circumstances and constraints.

In Denmark private providers have been contracted to provide employment services since the 1980s, but *More people into work* (2002) required local authorities to encourage competition. Interviewees raised concerns that, contrary to the notion that providers have specialist skills to provide tailored and individualised services to specific target groups, in fact the market is standardised as a result of the tendering model and price mechanisms, with a similar outcome payment structure to that in Australia.

3.3 Childcare as a foundation for activation

The availability of alternative sources of care for both children and adults (disabled and non-disabled) is crucial in facilitating the labour market participation of partnered women with children. Space only allows for in-depth consideration of childcare but this constraint has also been highlighted in NDP evaluations. A key finding from this research, emphasised by all Danish interviewees, is that in Denmark childcare is a foundation on which active labour market policies are based. In Denmark partnered women caring for children over aged one¹¹ or for adults are not exempted from activation and cannot receive benefit if they are not available for work. Similarly, in Australia and Britain caring for children of school age and above¹² is no longer seen as a legitimate reason for exemption from active labour market policies. In Australia childcare was also identified as a key component of assisting partnered women into work.

Denmark has an established system of daycare and after-school provision. Universal provision was institutionalised in 1949, firmly established by the 1960s and now every child is offered a full-time place in daycare from the age of six months. In contrast with Australia and Britain, part-time provision is not well-used. This can be linked with the expectation, and availability, of full-time work for women. In the decentralised policy delivery model local authorities make sure there are sufficient places and are the main providers. Not-for-profit organisations integrated into the public system provide around a third of places and there is only a minor role for private providers.

Australia has a more developed system of childcare than Britain, established on a not-for-profit community-led basis in the 1970s. The shift to a marketised model intensified from 1996 as a result of incentives designed to reduce pressure on government expenditure, but which in practice did the opposite. There were increases in the number of places between 1992 and 2006, including as part of AWT and WTW. DEEWR had responsibility for monitoring the number of places. However, there are still problems of unmet demand and accessibility, particularly for parents in rural areas.

By comparison, it was not until 1998 that Britain had its first national childcare strategy (Department for Education and Employment, 1998) and Early Years provision expanded. Since 1998 all four year olds have been entitled to a free place in early education, extended from 2004 to all three year olds for 33 weeks a year and from 2006 for 38 weeks of the year. Since September 2010 the Early Years Entitlement has been 15 hours a week, over three days. Additional provision for the most disadvantaged two year olds planned by the previous Labour government is being continued by the Coalition government. Under Sure Start Local Programmes targeted at disadvantaged families there was a relatively minor role for Early Years provision, but its role expanded within the universal Sure Start Children's Centres and has been complemented by Extended Schools provision since 2010.

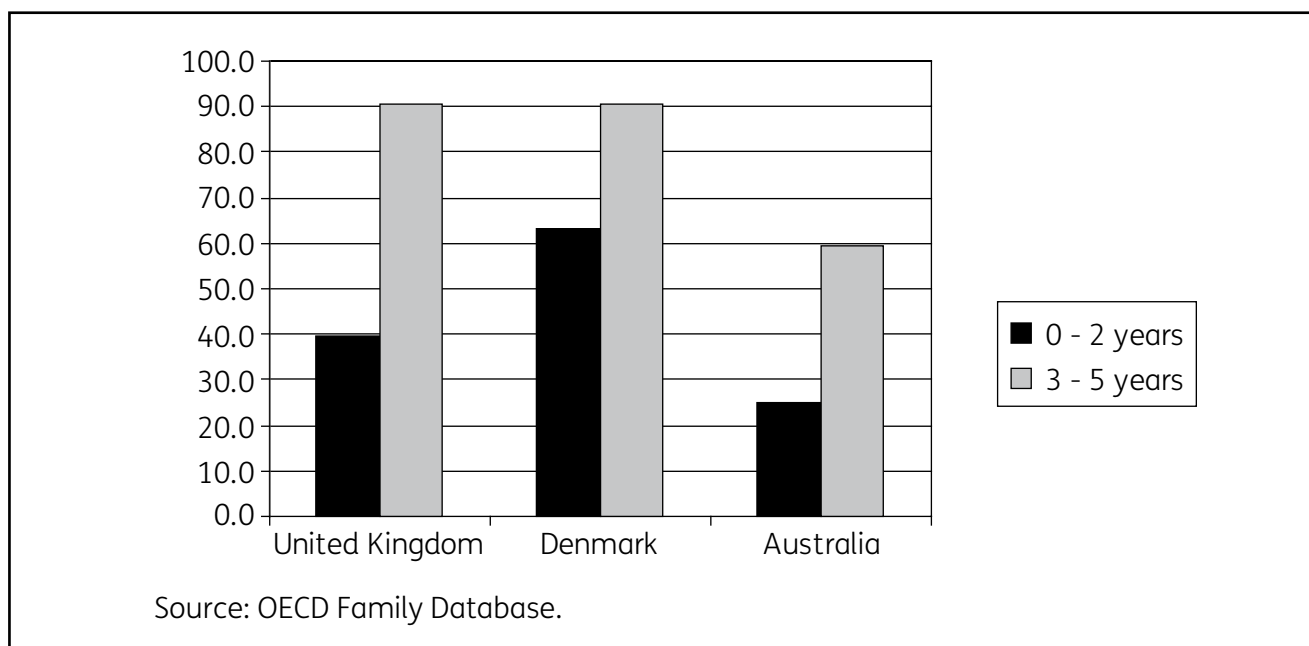
In Denmark the provision of daycare for young children is seen as an important way of limiting women's labour market absence. This view was also shared by some Australian interviewees, however, others emphasised that partnered parents should have the right to care for their children

¹¹ This links with the duration of parental leave.

¹² Compulsory school age is six in Australia, five in Britain and seven in Denmark.

themselves if they wish. Figure 3.1 shows enrolment in formal childcare for nought-two and three-five year olds in the three countries. Denmark has the highest enrolment, but Britain has a similar proportion for three-five year olds, primarily as a result of the free Early Years Entitlement. This can be seen as a social and cultural change in the use of provision outside the family, as take-up has been steadily increasing since its introduction and for four year olds is 98 per cent (Department for Children, Schools and Families, 2010). If this incremental policy continues and, importantly, is increased over time and accompanied by simpler subsidies, this could help to challenge barriers to labour market re-integration for partners.

Figure 3.1 Enrolment rates of children aged below six in formal care or early education services, 2006



Although in Australia there are more generous and extensive childcare subsidies than in Britain, take-up is not as high and this may partly be because there is not the baseline universal entitlement that there is in Britain and Denmark. There have also been a number of ‘maternalist’ policies which have sought to encourage particular groups of women to remain at home with their children, such as the Baby Bonus (which rewarded women who withdrew from the labour market after childbirth) and Family Tax Benefit Part B, which provides tax incentives to single-earner families. The key critique of the Danish model of labour market participation, active labour market and daycare policies is its limited capacity for choice for partnered women who wish to care for their children themselves. This aspect is potentially problematic for its translation to the British policymaking context which places more emphasis on choice in the context of a stronger legacy breadwinner model, but this does not preclude learning from the Danish model.

3.3.1 Childcare costs

In Britain since 1998 considerable progress has been made in relation to the provision of childcare from an extremely low baseline, but a key barrier to work for partners is the cost. On entering paid work, couple families pay 33 per cent of net family income, compared with 10 per cent in Australia and eight per cent in Denmark (OECD, 2007). Britain also has a complex range of subsidies, most of which are linked to being in work, such as Tax Credits and employer vouchers. In future UC will be accompanied by a childcare subsidy which will replace the Childcare Element of Working Tax Credit.

Denmark offers one principal subsidy for both pre- and post-school age childcare which is on a simple sliding scale graduated according to income. Unemployed families or those on a low-income pay nothing, or very little. There are reductions for siblings and for families with special needs and an additional aided place subsidy for families on a low income.

Australia offers two subsidies for pre- and post-school age childcare, occasional care, outside school hours care and vacation care: Childcare Benefit (CCB) and Childcare Rebate (CCR). CCB provides up to 24 hours of funding per child per week for all families earning below the income threshold. To receive up to 50 hours of funding per week both partners must be working, training or studying. CCB is paid for both approved and registered care: (a) approved care includes long daycare, family daycare, outside school hours care, vacation care and some occasional and in-home care; (b) registered care is work-related childcare provided by registered carers including grandparents or other relatives, friends or nannies registered with the Family Assistance Office. CCB can either be paid as reduced fees directly to the childcare provider, or as an annual lump sum at the end of the income year. Parents using registered care receive a lower level of subsidy than for approved care.

CCR covers up to 50 per cent of out-of-pocket childcare expenses for approved care only, to a maximum annual cap. To receive CCR parents must claim for CCB (even if they receive no subsidy) and be taking part in work-related activities although there is no specified minimum number of hours. For parents on certain payments (including NSA and PP) who are undertaking activities as part of an Employment Pathway Plan, Jobs, Education and Training Child Care Fee Assistance (JETCCFA) provides extra help with the cost of approved childcare by paying most of the 'gap fee' not covered by CCB or CCR, although some interviewees felt that this was insufficient.

Figure 3.2 Public expenditure on families (percentage of GDP), 2007

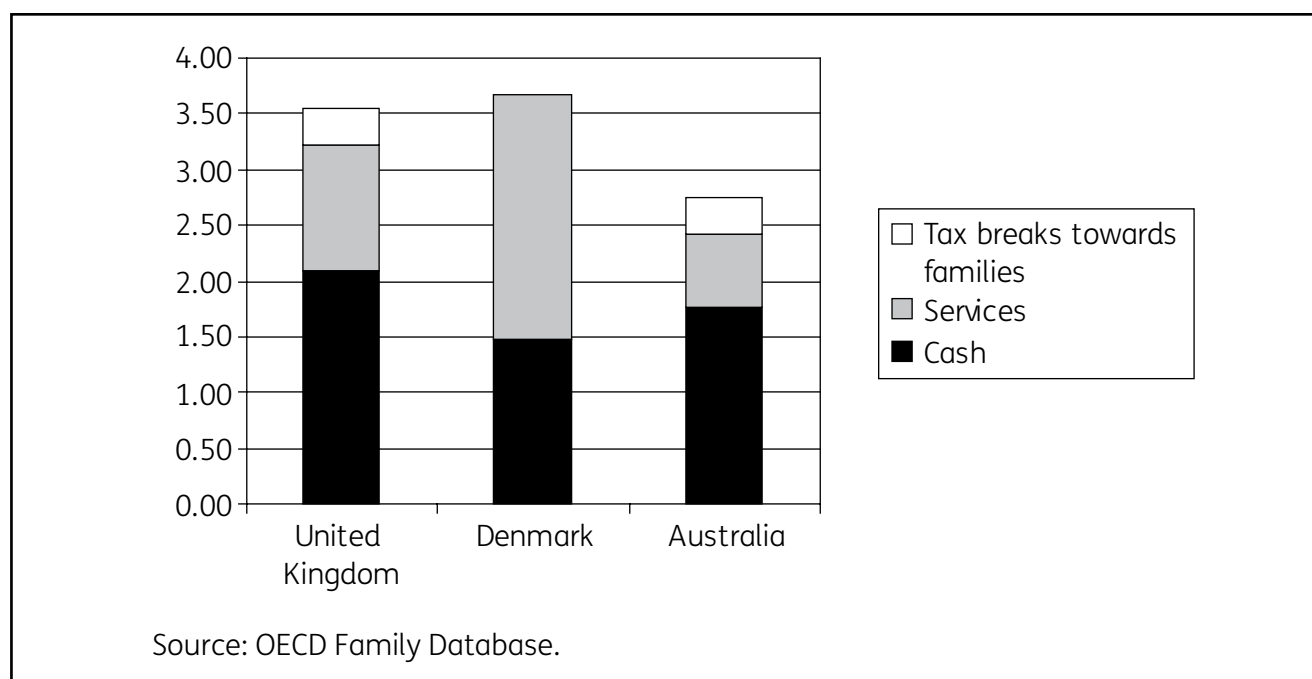
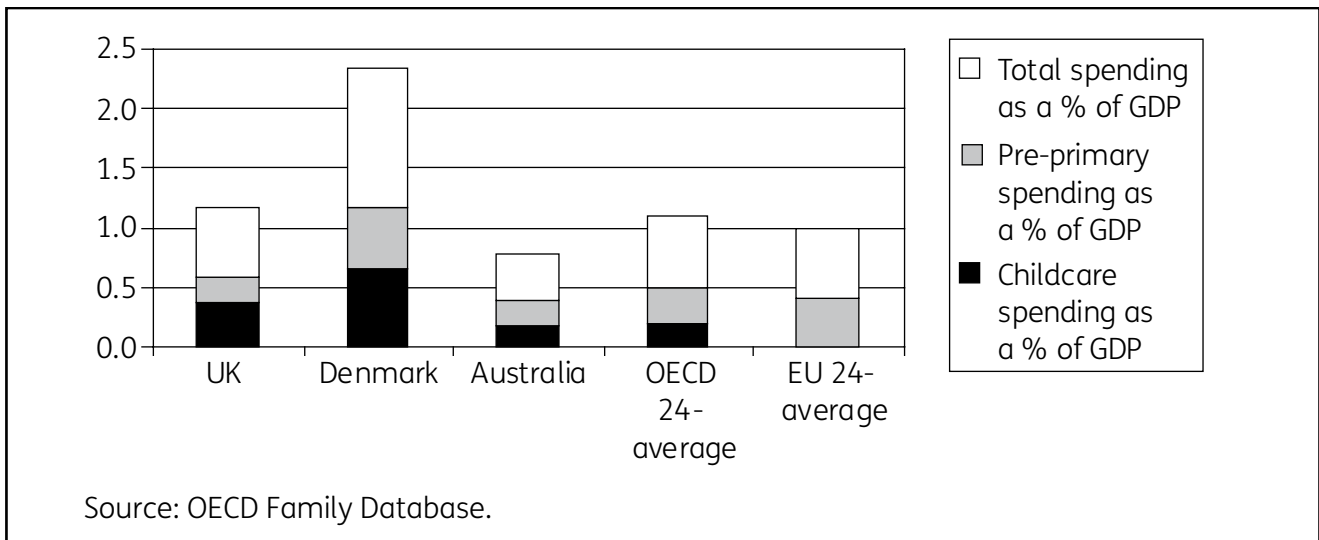


Figure 3.2 shows total public expenditure on families (child payments and allowances, parental leave benefits and childcare support) in the three countries and Figure 3.3 details spending on early childhood education and care. Australia spends the least and Denmark's expenditure is more than twice that of Britain. Denmark differs from both Britain and Australia in prioritising services and not offering tax breaks to families as a method of funding their childcare.

Figure 3.3 Public expenditure on childcare and early education (percentage of GDP), 2005



Pricewaterhouse Coopers has costed a number of options for pre- and post-school age care for both the previous Labour government and Daycare Trust (PricewaterhouseCoopers, 2003, Daycare Trust, 2004). To increase supply-side funding for running costs the estimated total cost to government and parents is around 2.6 per cent of GDP (around £30 billion at 2004/5 GDP values), involving an increase of 1.8 per cent at those values (Daycare Trust, 2004, p.29). With regard to human capital, the rate of return per dollar of investment in (high quality) early childhood education and care is potentially higher than the rate of return for the same investment later in the life-cycle, including at school and with decreasing returns for post-school job training (see for example, Cunha *et al.*, 2005).

4 Lessons learned for Britain

4.1 Access to benefits and activation

In Australia partially individualising entitlement, assessment and payment of benefits played an important role in providing partnered women with access to their own income, as well as in recognising their caring role. In Denmark entitlement to, and payment of benefit are individualised, although social assistance is means-tested on the household. The 300 hours rule was a regressive and anomalous policy change which de-individualised married women's entitlement to social assistance as an economic incentive to work. However, this resulted in increased poverty for families and pushed women and their families outside the systems of support rather than into sustained work. Partnered women's role as carers is not recognised within Denmark's encompassing activation regime, predominantly due to the comprehensive foundation of care provision.

The context of partially individualised benefits for partnered women in Australia and Denmark provide an important comparison for the British case. The aim of UC is to make work pay, especially work of less than 16 hours a week. UC will remove the concept of a 'dependent partner' by applying conditionality on an individual basis and this to some extent addresses the asymmetrical conditionality for dependent partners under NDP. However, with regard to partnered women's access to an autonomous income, it is of concern that although both partners can make a claim for UC (and are subject to conditionality), only one person per household receives the payment (DWP, 2010b, pp.19, 33). This is a potentially regressive step in the individualisation process begun by JSA joint claims. Policy actors in Australia strongly argued that granting partnered women access to benefits in their own right was a significant step in directly engaging with them through active labour market policies. Access to benefits, improved financial returns from working, individually tailored assistance and affordable, good-quality care provision will together constitute a more supportive package to assist partnered women into work in Britain.

Ideological constraints have perhaps been a barrier to partial individualisation in Britain with its male breadwinner model for the welfare state, and dependence on the state viewed as less preferable to dependence on the family or market. The male breadwinner model has also been important in Australia but Denmark only had a such a model for a short period in the 1950s and 1960s and on a broader level welfare is perceived more positively. Cost is a likely key barrier to the implementation of partial individualisation in Britain. However, in Australia requiring partnered women to claim for benefit in their own right and restructuring the income tests encouraged part-time work as well as saving public money. The replacement of benefits and tax credits with UC presents an opportunity for such a change to the existing British tax and benefits system. In Australia customers report changes in earnings to a 'one-stop shop' (Centrelink) and this is also the intention in Britain with UC. Consideration should be given as to how elements of individualised means testing in the Australian reforms may be translated to the British system.

UC also presents an opportunity to move beyond categories of benefit recipients linked to activation programmes. There are potential advantages in considering partners and lone parents together, although some partnered women have more in common with Incapacity Benefit recipients than with lone parents (Coleman and Seeds, 2007, p.22). Although both British and Australian activation policies assume that partnered parents are able to share caring responsibilities with the main claimant, in some cases either or both partners may be unwilling to do this due to gendered roles or disability. In Australia neither the policy design nor implementation of WTW sufficiently took account of the specific needs of partnered women with caring responsibilities. There is, therefore, a

balance to be struck between moving away from categorising recipients in terms of, for example, their parental or partnered status, but in relation to conditionality still paying attention to particular needs which arise from this status.

4.2 Availability of childcare

It is not possible to focus on the success of Danish activation or the higher labour market participation of partnered women in Denmark without acknowledging the foundation of daycare upon which activation policies are based. It is important to note the pervasiveness of policy learning from Denmark in the form of activation across OECD and EU countries, even if this is more subtle than explicitly acknowledged. It could, therefore, amount to policy translation failure if activation policies are transferred to Britain without sufficient attention being paid to this aspect. Despite criticisms of the Danish model regarding lack of choice, there are a number of aspects of policy learning for Britain.

It is essential that sufficient alternative care is available at the time of job search, so that childcare is not viewed as another ‘obstacle’ to be overcome when partnered parents take up suitable work, as this undermines the child-centred focus of such care. The Early Years Entitlement is an important foundation which has high take-up but it conflicts with the reality of working life, as well as with the current tax and benefits systems which only recognise employment of 16 hours or more (24 hours for partners). This comparatively low baseline provision means that additional provision is dependent on labour market participation, which is problematic if such work is insecure.

Australia has a more substantial basic subsidy than in Britain; further subsidies are linked to work-related activity although this includes study and training as well as work. In Denmark all children have a place in daycare from the age of six months and this is unaffected by their parents’ participation in paid work because if they become unemployed they will pay less, or even pay nothing, for childcare. Increasing universal provision in Britain would not only help to facilitate the transition into work for partnered women, but would also reduce any detrimental effects on the welfare of children resulting from transitions in and out of unsustained work.

As well as structural constraints on accessing childcare, partnered women experience normative constraints on working resulting from gendered models within couples and their own identities as carers. Partnered women are more likely to enter work if appropriate childcare is available, the jobs available pay an adequate living wage compared to being on benefit and if the work fits around their caring responsibilities. Families may also not wish to use formal childcare if this is not a ‘social norm’ in their own communities. The Early Years offer encourages the majority of parents to view this provision as mainstream, irrespective of their labour market participation and the high take-up suggests changing social and cultural norms. Nevertheless, poorer families may be less likely to use such care (Harker, 2006, Coleman and Seeds, 2007) and further attention should be paid to this.

NDP evidence suggests that some partners, particularly those of an ethnic minority, are reluctant to use formal childcare (Aston *et al.*, 2009b, Coleman and Seeds, 2007) but the childcare element of Working Tax Credit does not cover informal care. In Australia subsidies are provided for family-based care and this may be an option for Britain in the context of the proposed ‘grandparent credit’ offering National Insurance credits to grandparents or other carers providing 20 or more hours of care a week. However, some families may not wish to provide care on such a regular, formalised basis and it may conflict with their own preferences for paid work and with the abolition of the default retirement age.

A further constraint on increasing childcare provision in Britain is the capacity to ensure sufficient places and address problems with current funding mechanisms, whereby providers do not receive full reimbursement for free places. In Australia payments to providers led to unprecedented growth in large-scale corporations which in effect presented a risk to the childcare market. In Britain there needs to be a focus on capacity-building and one possibility in line with the existing model is the increased involvement of employers in the provision of care, rather than merely through the voucher scheme. Some large employers in the public and private sectors already provide childcare facilities. However, this has the disadvantage of further linking childcare to labour market participation in an instrumental way and, as with the employer-provided vouchers, depends on the propensity of employers to establish such provision.

4.3 Employment assistance

The most recent programmes examined in Australia and Denmark were viewed by most policy actors as shifts towards workfare, imposing a specific number of hours of paid work on partnered women, rather than merely participation in active labour market programmes. In both Australia and Denmark frontline staff considered that existing programmes were having an impact on the labour market participation of partnered women in a supportive way that took account of their individual circumstances. However, the need for ‘quick wins’ resulted in more punitive approaches in both countries, limiting how far such support could be tailored to partnered women’s needs. These programmes were not viewed as likely to be effective in the longer-term.

For example, it is not yet clear how far WTW in Australia has resulted in sustained employment outcomes in the longer term, although on the face of it the programme has had some elements of success in terms of decreased benefit receipt and an increase in the numbers of part payments with earnings, but with corresponding increases in claims for non-activity tested benefits. Frontline policy actors in Australia were concerned that the work requirements under WTW created tensions within couples, or even exacerbated domestic violence (cf British Social Security Advisory Committee, 2008, p.3). This may be an argument in favour of joint PA interviews with couples, however evidence from both Britain (Coleman and Seeds, 2007, p.33) and Australia (Cobb-Clark *et al.*, 2006, p.435) is mixed concerning their efficacy. Some Australian interviewees considered the WTW reforms had promoted the take-up of short-term irregular work which was often difficult to reconcile with caring responsibilities (as well as the WTW requirements) rather than equipping partnered women with the skills to take up more secure work and to progress. Similarly, in Denmark policy actors highlighted the financial hardship caused to couples by the 300 hours rule through loss of their benefit and the withdrawal of mechanisms of support

Under AWT, which preceded WTW, partners were required to sign Participation Agreements with employment service providers which allowed for a broad conception of activity while WTW Activity Agreements had a narrower focus on paid work. Evaluations of AWT highlighted that despite the policy rhetoric of ‘dependency’ parents were not ‘inactive’. Participation Agreements ratified education, training or voluntary work activities already being undertaken (Social Research Centre, 2005a), with some parents undertaking new activities or new and existing activities which often exceeded the requirements (Alexander *et al.*, 2005, p.16). Alexander *et al.* (2005) reported generally positive responses to the participation requirements on the part of both parents and their children and activities such as voluntary work in their childrens’ schools benefited both mothers and their children.

WTW overrode policy learning from previous programmes in two respects. Firstly, the importance of building on activities already being undertaken. Secondly, being sensitive to childcare responsibilities. More recently the JSA contract replaced Activity Agreements with legally-binding Employment Pathway Plans (EPP). Following a Participation Taskforce review, the Labor government introduced

flexibilities to broaden the WTW requirements, such as by allowing parents to undertake part-time study or voluntary work with vocational value. A key policy lesson for Britain is the importance of defining work-related activity in a broad way, particularly when there are fewer jobs available.

The Danish case also highlights the important balance to be struck between individual and labour market requirements. In Denmark the introduction of Individual Action Plans (IAPs) in 1994 defined both the 'right and duty' to activation, with both a focus on the needs of the labour market and the individual. However, there was growing concern that many activities were not sufficiently tailored towards work; IAPs became less individualised and in 2002 were replaced with Job Plans emphasising a more 'work first' approach. However, interviewees emphasised that within this 'work first' framework there is a recognition that longer-term outcomes may be obtained through skills upgrading, qualifications, training and subsidised work. The advantage of the Danish approach is the capacity of frontline staff to construct a package of support based around the provision of repeated activation offers every six months. Social workers being directly linked into local authorities allows them to tap into other services which can assist with barriers to work, such as housing or healthcare. Social workers are also employed by Centrelink in Australia but do not play such a significant role as in Denmark, although providers may link up with other services. Social workers have not to date played a role in British employment services.

In Britain positive outcomes from NDP were generally not a direct result of the programme itself but of changes in circumstances for partners or a result of the skills, experience and working styles of individual PAs (Thomas and Griffiths, 2005, Hasluck and Green, 2007). Both clients and providers involved in the POEM pilot felt that its key strength was the one-to-one individual, intensive and tailored support it provided (Aston *et al.*, 2009a). Based on international evidence, this research also supports the importance of such one-to-one responsive support for partnered women. Frontline staff need to have a range of skills to assess the needs of partnered women, as well to motivate and support them in their path to work. In Britain PAs have a range of valuable skills and the expertise built up from the New Deal for Lone Parents (which has a much higher caseload than NDP) this should mean that advisers are more familiar with the needs of parents than advisers were in Australia when WTW was introduced.

Evaluation evidence in Britain and Australia suggests that for the majority of partners, the current feasibility of undertaking paid work is a constraint but is often perceived as an option for the future when circumstances change, such as when their own or their partner's health improves, or when their children reach school-age (Thomas and Griffiths, 2005: 19, Pearse, 2000). One-off interventions are rarely able to capitalise on such changes to household circumstances. In Britain the Welfare Reform Act (2009) legislated for the Progression to Work Pathfinders (Gregg, 2008, DWP, 2009b), intended to offer work-related support to parents (and other groups) before they were actually mandated to seek work. Policy actors in Australia felt that this type of support in advance of increased conditionality was a key aspect which was missing from the Australian WTW reforms.

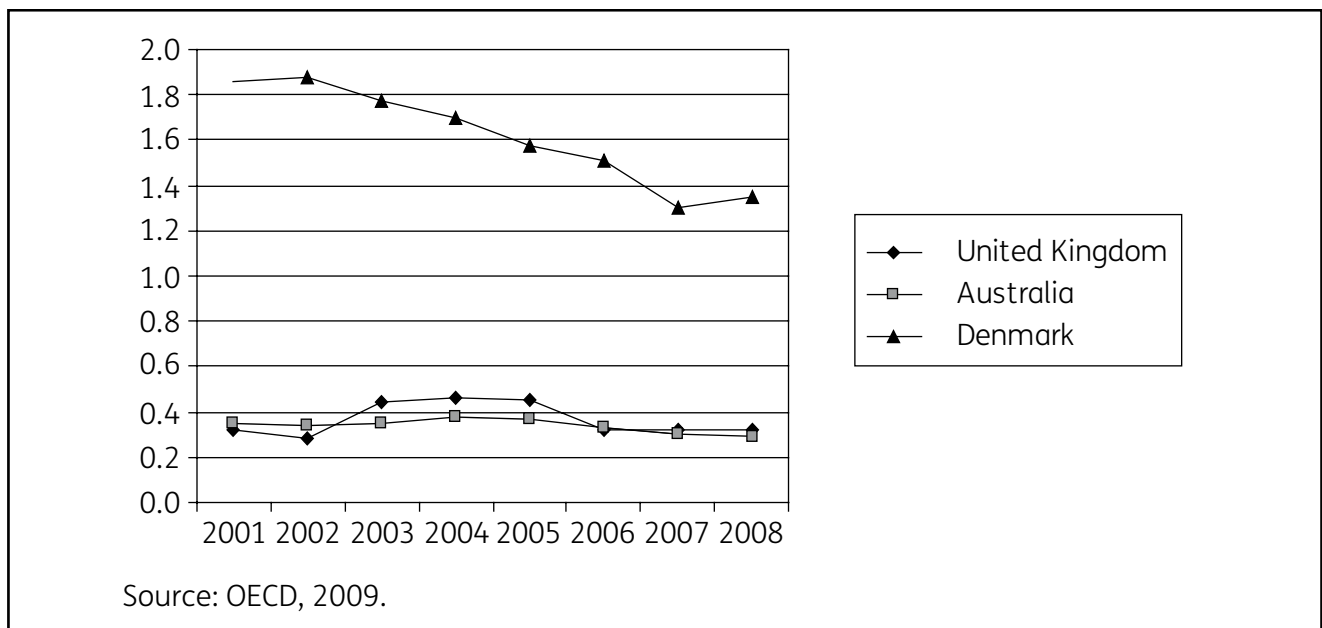
4.3.1 Suggested interventions for partnered women

Tables B.2, B.3 and B.4 in Appendix B set out suggested interventions for partnered women at differing distances from the labour market, based on the evidence from Britain, Australia and Denmark. The interventions outlined should be supported by agreed action plans, based on partners' existing skills and experience, aspirations, caring responsibilities and the jobs available. Action plans should be flexible and regularly updated. There should be a guideline regarding the minimum number of meetings with partners, with flexibility to increase or decrease frequency. This overall

framework for assistance can be complemented by a nominal allocation of funding per partner, but with the flexibility to purchase additional training or equipment if required. Some form of post-employment support is also advisable following entry into work, with the length depending on individual circumstances.

Flexibility is key to the delivery of such responsive employment assistance and this depends on resources available to the frontline. Britain's predominantly 'work first' activation approach is characterised by cheaper supply-side measures such as job brokering/matching, job placement, job search and short-term training, rather than demand-side solutions such as more substantial training, wage subsidies or job creation. Figure 4.1 shows expenditure on active labour market measures for all three countries between 2001 and 2008. Britain and Australia spend a similar amount on active measures, while Denmark spends four times this amount, although this has been decreasing. Danish interviewees emphasised that expenditure on active labour market policies should be seen as an investment rather than an expenditure (see also OECD, 2010), particularly if it succeeds in helping partners stay in work and reduces benefit spending in the longer term.

Figure 4.1 Spending on active and passive labour market policies (percentage of GDP) 2001-2008



5 Policy recommendations

5.1 Policy learning

From the case studies of Australia and Denmark this research highlights three key aspects of policy learning for Britain in relation to partnered women:

- 1 Partial individualisation of partnered women's access to means-tested benefits.
- 2 The importance of good quality, accessible and affordable pre- and post-school age childcare as a foundation for active labour market policies for partnered women.
- 3 Individually responsive employment assistance to address the varied needs of partnered women.

5.2 Partial individualisation of benefits

The primary aim of the NDP should still be supported – namely, that it should be one of a raft of policies to encourage at least one partner into work, with the aim of encouraging both partners to access their own income.

The partial individualisation of benefits achieved in Australia was an important precursor to engaging directly with partnered women through active labour market policies. In Britain JSA joint claims brought partnered women into the benefits system but this should be extended beyond conditionality to partially individualised entitlement and payment. For non-working partners, access to their own income is likely to both encourage relationship stability as well as provide a buffer against poverty if one partner loses their job. Welfare reforms which curtail contributory and universal benefits are likely to result in partnered women's increased dependency on their partners through means-tested benefits.

The Australian reforms highlight how individualised means testing may be accommodated within a benefits model of largely household-based assessment of income. However, attention should be paid to potential disincentives to work associated with UC for second earners, an aspect also highlighted in the Australian system.

Although identifying the lead carer in couples for the purposes of UC recognises the importance of caring for children, it also risks reinforcing partnered women's labour market withdrawal and gendered roles. There should be flexibility for couples to easily exchange roles without affecting their benefit.

Benefit categories based on relationship status are unhelpful in assisting partners into work. The system should recognise the fluidity of family formations and allow for changes in relationship status.

UC has some similarities with the system of part and full benefit payments in Australia. However, in Australia policy goals relate not only to entering work and moving off benefit, but also to increasing the number of parents receiving part payments with earnings, as a stepping stone to moving into work. If benefits are to provide a more fluid function in terms of income security as well as in-work support/wage supplementation this needs to be accompanied by complementary policy goals which move away from a focus on 'dependency'.

5.3 Childcare

It is particularly important that the DWP recognises the importance of good quality, accessible pre- and post-school age childcare as a foundation for active labour market policies for partnered women while not viewing it as purely instrumental to work.

There is considerable scope to learn from the Danish model in terms of making positive linkages between the pedagogical goals of childcare as well as recognising its importance in facilitating partnered women's labour market participation. This requires government to move beyond the notion of childcare as an unwelcome intervention in the private sphere of the household. However, it must also recognise the diversity of the childcare needs of families including that some partnered women still have a preference to care for their children, or to use informal care – although this is sometimes a result of the inadequacy of alternative provision available.

The DWP and the Department for Education should together make sure there are sufficient childcare places in tandem with the requirements of welfare reforms and that this is regularly monitored. Given local authorities' responsibility for making sure the supply of early years provision meets local demand (including diverse cultural needs), attention should be paid to potential tensions which may arise between the local and national dimensions of policy delivery. The impact of the potential closure of some Children's Centres is of concern, particularly in relation to the supply of childcare and the links which have been built up between Children's Centres and Jobcentre Plus.¹³

The complex range of childcare subsidies, combined with inadequate provision of sufficient quality results in a patchwork of different services which may not be suited to families' needs. It would be advantageous to streamline the subsidies for childcare to reduce both policy complexity and disincentives to work for partnered women. UC offers a potential opportunity to review this, but it may be preferable to keep such subsidies separate but simple, as in Denmark. Importantly, the three- and four-year old baseline entitlement should be maintained and increased, while ensuring coherence with other policy areas such as benefit/tax credits. 'Work requirements' in relation to childcare subsidies should be broadened to include study and training, as in Australia.

The Australian system of childcare subsidies provides support for informal care (such as by relatives) and this could be explored in the British context.

5.4 Individually responsive employment assistance

If all IS recipients are to receive employment assistance from one programme, there needs to be an effective method of assessing distance from the labour market. However, assessment tools may also reinforce claiming identities in the same way as benefit systems based on categories. Tools which are too standardized may not be suitable for such a varied group as partnered women. The Australian case suggests that caution should be exercised in treating partnered parents in the same way as other jobseekers.

There are also lessons to be learned from the Australian experience in terms of, first, the importance of building on activities partnered women are already undertaking and not assuming inactivity. Second, by being sensitive to partners' constraints on working due to caring responsibilities. A key policy lesson is the importance of defining work-related activity in a broad way, particularly when there are fewer jobs available.

¹³ See Marangozov, R. & Stevens, H. (2010) Work-focused services in children's centres pilot. Interim report. DWP Research Report No 677, Norwich, Stationery Office.

The British PA model can learn from the Danish example in relation to the joined-up nature of the assistance provided by social workers, facilitated by their links with other support services within local authorities. This enables them to effectively address barriers to work other than unemployment. The Work Programme proposes to address wider barriers to work, however public spending reductions may affect other important services (for example, housing, health and social services) which frontline workers need to include in their packages of support for partnered women. It is important that policy makers view active labour market policies in this wider context and take advantage of opportunities to align Jobcentre Plus with such services at a local level.

In Denmark social workers have more flexibility, time and resources and they are also less focused on compliance, although there is still a role for sanctions in the Danish model. In Britain the current reforms risk focusing on compliance for partners rather than on providing a personalised pathway into work, particularly at a time of reduced investment in employment services and a lack of labour market demand. The cases of both Australia and Denmark suggest that reducing the amount of benefit, or removing it, does not necessarily need to accompany increased conditionality for partnered women, particularly if this results in increased poverty for households and for children.

For partners constraints on working are intra-household and for these to be effectively addressed requires that frontline staff have sufficient time to build up relationships with partners and have the flexibility and resources to tailor support to their requirements. This is particularly important in the context of public spending cuts, the relatively weak labour market and the limitations of contracted provision highlighted by this and other studies. Individualised support needs to be accompanied by flexibility at the frontline in terms of regularity of contact with partnered women, as well as with regard to sanctions.

Both the Danish and Australian experiences demonstrate that there appears to be little to be gained by implementing an approach which specifies an arbitrary number of hours of activity. The Australian experience highlighted the difficulty of meeting strictly prescribed requirements in a labour market which has precarious or irregular employment, which is also the case in Britain. Instead, policies should reflect labour market opportunities and individual circumstances, particularly the availability of flexible work.

A long-term view of sustainable work should be taken, accounting for partnered women's existing skills and experience, as well as the jobs available. This requires recognition of the importance of achieving 'softer' outcomes (as in POEM) such as movement closer to the labour market through training, work experience and upskilling. It is important that programmes which may bring longer-term benefits are not compromised by the need for early and visible 'results,' particularly in the current context of reductions in public expenditure.

The 'keeping in touch' arrangements proposed by the Government may be helpful in encouraging parents to consider a future time when they will be required to look for work. However, evidence for such an intervention in Australia suggests that this may not have an impact, particularly for those with very young children for whom work requirements will be a distant consideration. Rather, it is important to offer a range of more focused support to partnered women in advance of full conditionality to assist them in becoming work-ready, such as skills updating, qualifications, training and other support.

It is important that Jobcentre Plus does not become marginalised in the new British 'welfare market' model, predominantly fulfilling a policing function as Centrelink does in Australia. This could potentially undermine the valuable skills and experience PAs have¹⁴ which evaluation evidence suggests is crucial for partners.

¹⁴ See McNeil, C. (2009) *Now It's Personal: Personal advisers and the new public service workforce*, London, Institute for Public Policy Research. See also Ingold, J. (2001) *Adviser skills*. Employment Service internal working paper, Sheffield, Employment Service.

6 Conclusion

In Britain, a key problem for partnered women's engagement in the labour market is that, although many vital components are in place, there appears to be a lack of coherence overall, unlike in Denmark where there is a 'life course' approach based on linking up parental leave, daycare and activation policies. It may continue to be difficult to engage partners in couples with established gender roles which, in turn, may be reinforced by the benefits system. It is, therefore, important that these wider issues are addressed through policies such as gender equality within the benefits system, the promotion of shared parental leave and the gender pay gap.

Although the Danish flexicurity system is not easily transferrable to other countries this does not preclude translation to the British context and Danish policy makers are keen to promote such contextual policy learning. Both Britain and Denmark have flexible labour markets: Denmark provides flexibility for employers while also making sure workers' rights are protected, including by providing a safety net of IS. Within this framework activation is increasingly work first and demanding but also retains supportive elements focused, augmented by the role of the trade unions as social partners.

The decentralisation of labour market policies in Denmark provides an important focus on the local labour market context which benefits partnered women as well as employers. Devolution to this level allows frontline staff to link up with other local services to assist this group in overcoming their barriers to work. This latter aspect in particular was missing from the Australian WTW programme. The Australian and British cases are more similar but this does not mean that lessons should be transferred without taking into account the negatives as well as the positives and this underlines the importance of context. In Britain discussion of issues such as localism and further labour market flexibilisation may benefit from policy learning from Denmark. However, it is to be hoped that current and future reforms in Britain will take account of the context of the enabling services which also support Danish activation but which were largely missing in Australia.

Appendix A

Methodology and theoretical concepts

A.1 Methodology

The research began with an evidence review of policies relevant to women in workless couples in OECD countries and from this Australia and Denmark were selected for further case study research. The case studies comprised documentary analysis and 52 elite interviews with governmental and non-governmental policy actors, including frontline staff (31 in Australia and 21 in Denmark), mostly face-to-face but some by telephone. Interviews were manually coded and analysed based on the theoretical and analytical framework of ‘welfare recalibration’ (see Section 1.2) which focuses on dimensions of incremental policy change.

A.2 Theoretical concepts

The two key theoretical concepts which were used in the research were: ‘welfare recalibration’ and the idea of ‘policy as translation’.

A.2.1 Welfare recalibration

‘Welfare recalibration’ (Ferrera and Hemerijck, 2003) highlights that policy change is often incremental rather than radical and describes such change in terms of four sub-dimensions: functional, distributive, politico-institutional and normative. Recalibration was used in this study to describe and explain the policy changes in relation to partnered women in the three countries and permitted a truly comparative analysis based on thematic aspects.

Functional recalibration concerns how welfare states respond to social risks. In this research this relates to the functions of providing social security, employment, employment assistance and care provision, including childcare. Distributive recalibration relates to social groups and in this study reflected the comparison of targeted activation programmes for partnered women in Australia and Britain with the more ‘encompassing’ model seen in Denmark. Normative recalibration pertains to symbols, norms, values and discourses. Politico-institutional recalibration concerns the institutions and actors involved in policy-making both at the level of governance and policy delivery.

A.2.2 Policy as translation

Policy change and policy learning are linked. There is a large amount of literature on ‘policy transfer’ which considers how policy learning may be successfully (or unsuccessfully) transferred from one country to another (see for example, Dolowitz and Marsh, 1996). The research used the idea of ‘policy as translation’ (Lendvai and Stubbs, 2007) which emphasises the contextual aspects of translating policies from one country to another. Policies or programmes are de-territorialised and then re-territorialised and translating policies from one country to another requires reconstitution, or re-siting. This involves paying attention to the contexts of both the country which ‘lends’ the policy and the country which ‘borrows’ the policy. It recognises that policies are not made on a

blank sheet, but are products of what has gone before and are thus incremental. The concept also highlights the importance of where policy makers and researchers look for comparative policy learning, as this provides a frame of reference which is reflective of ideology as well as technical and institutional constraints on translation. Policy change takes place in the context of a fluid policy environment, where there are constraints on the perceived political acceptability of learning lessons from particular countries at specific points in time.

Appendix B

Current and suggested activation interventions for partnered women

Table B.1 Comparison of activation and assistance approaches for partnered women in the three countries

Feature	Britain	Denmark	Australia
Administrative structures			
Benefits and activation	DWP through Jobcentre Plus	Ministry of Employment through local authority-run Jobcenters Local Employment Committees with social partners	DEEWR through Centrelink and contracts with JSA providers
Childcare	Department for Education (England only)	Ministry of Social Affairs	DEEWR
Subsidies	DWP, Her Majesty's Revenue & Customs, local authorities, employers	Through local authorities	Family Assistance Office
Provision	Private and not-for-profit	Predominantly local authorities	Predominantly private
Marketisation of employment services	Increasing contracting-out to private and third sector providers	Increasing contracting-out to private providers	Fully privatised, contracts with private and voluntary sectors
Contractualism	'Rights and Responsibilities'	'Right and duty'	'Mutual Obligation'
Mechanism	Action Plan	Individual Action Plans -> Job Plan	Participation/Activity Agreements -> EPP
Exemptions	Eventually only for parents with youngest child aged below one and for carers	Only for parents of children under one and permanently sick	Carers and parents with youngest children below six
Requirements	Number of hours of activity not specified, but policy goal of at least 16 hours of paid work per week (24 for partners)	300 hours of paid work within two-year period	Partners with youngest child aged six claim NSA not PP Undertake/seek at least 15 hours work a week Mutual Obligation activity every six months

Table B.1 Continued

Feature	Britain	Denmark	Australia
Assessment of work-readiness	Informal by frontline staff	Three match-categories	Computerised Job Seeker Classification Instrument
Assistance	Skills assessment Job search assistance Job matching Better-Off Calculation Childcare Assist & Childcare Subsidy Work Trials Training premium Programme centres/ Goals Mentoring Referrals to other support	Guidance and qualification/ skills upgrading Job placements Subsidised jobs (up to one year) Health and welfare support through Jobcenter services Referrals to other support	Skills assessment Job search assistance Job matching Intensive Activity, for example, Work for the Dole Skills development training Work Experience Productivity Places Program Post-employment support Managed referrals to other support (part of EPP)
Funding	Adviser Discretion Fund	Nominal flexible funding allocation	EPF
In-work benefits	In-Work Credit Tax Credits	Minimal employment deduction Transferable tax allowance	Part benefit payments Working Credit Family Tax Benefit Part B
Sanctions	Removal of benefit for partner and main claimant	Applied by frontline staff to individuals	Applied by Centrelink to individuals on 'no show, no pay' basis
Frontline staff	PAs	Job counsellors Social workers for social assistance recipients	PAs JET Advisers Centrelink social workers

Table B.2 Suggested interventions for partnered women closest to the labour market

Distance from the labour market ¹	Barriers to work	Suggested interventions
Closest to the labour market (work-ready)	Few barriers – some recent work experience, but lacking confidence	Job search for flexible work (if required, for example, if a carer of adult or child)
	No language or literacy requirements	Assistance with completing application forms Assistance with regard to non-UK qualifications Other vocational or non-vocational study or training to facilitate sustained job entry Support/advice concerning self-employment
	Child or adult care requirements	Childcare, respite or other care (perhaps culturally sensitive)

¹ This categorisation is informed by the POEM pilot evaluation. Aston, J., Bellis, A., Munro, M., Pillai, R. & Willison, R. (2009a) Evaluation of POEM: Final report. Department for Work and Pensions Research Report No. 598, Norwich, The Stationery Office.

Table B.3 Suggested interventions for partnered women at an intermediate distance from the labour market

Distance from the labour market	Barriers to work	Suggested interventions
Intermediate distance (work-ready with some support)	Some language or literacy problems	Skills for Life including English for speakers of other languages (ESOL)
	No recent work experience	Support to build confidence on group or one-to-one basis Guidance about work culture/local labour market
	Lack of qualifications	Short-term skills upgrading Other vocational or non-vocational study or training to facilitate sustained job entry Wage subsidised jobs or private or public job training for at least six months Voluntary work Help to identify and apply for work (perhaps flexible or culturally sensitive)
	Health problems or disabilities	Referral to other support
	Problems other than unemployment	Signposting/referral to other support
	Child or adult care requirements	Childcare, respite or other care (perhaps culturally sensitive)

Table B.4 Suggested interventions for partnered women furthest from the labour market

Distance from the labour market	Barriers to work	Suggested interventions
Furthest away (needs considerable support to be work-ready)	Never worked, or not worked for five or more years	Support to build confidence on group or one-to-one basis
	Some language or literacy problems	Skills for Life including ESOL Work placements/work trials Wage subsidised jobs or private or public job training for at least six months Voluntary work
	Health problems or disabilities	Referral to other support
	Severe problems other than unemployment	Referral to other support
	Child or adult care requirements	Childcare, respite or other care (perhaps culturally sensitive)

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This working paper presents findings from research commissioned by the Department for Work and Pensions (DWP) and funded by an Economic and Social Research Council (ESRC) CASE PhD studentship in collaboration with DWP. The study had two main aims: first, to examine the benefit and activation policies in other Organisation for Economic Cooperation and Development (OECD) countries which are most effective in assisting partnered women into work; and secondly, to assess the transferability of these policies to the British context.

The research examined reforms in Australia and Denmark and concentrated on policies and programmes focusing on lone and partnered parents (Australia) and married couples (Denmark). The paper considers the key policy components from the two case study countries and offers a number of possibilities for policy transfer and translation.

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