Research on Finnish Society
Vol. 10 (2017), pp. 43-59

ISSN 1796-8739

Income poverty in households with children: Finland 1987-2011

Camilla Härtull, Jan Saarela & Agneta Cederström
Åbo Akademi University, Vasa, Finland, Chess Centre for Health Equity Studies, Stockholm, Sweden

The child poverty rate has increased noticeably in Finland since the mid-1990s. In this paper, we use register-based data to analyse how parents' labour market status influences the likelihood of households with children being found in poverty, as measured by the equivalent taxable household income, and particularly whether and how these effects have varied over the study period 1987-2011. In households with parents in unemployment or outside the labour force, the likelihood of poverty increased markedly during the study period, as compared to those with employed parents. Growing divisions in society might be one reason to the development. The contribution of education and other characteristics on the difference in the poverty risk by labour market status is minor in single-parent households, and only slightly larger in two-parent households.

VERTAISARVIOITU
KOLLEGIALT GRANSKAD
PEER-REVIEWED
www.tsv.fi/tunnus

Introduction

Although poverty occurs at different stages of life and in all age groups, child poverty has received particular attention due to its potential long-term consequences and spill-over effects. In Finland, the child poverty rate has in an international perspective been low (Gornick & Jäntti 2012; Natali et al. 2014), and it was for long an almost unknown concept. This is paradoxical, because in the early 1980s, over one tenth of all Finnish children lived in households with a disposable income less than 60 per cent of the median income (Statistics Finland 2013). During the subsequent decade, the child poverty rate decreased to reach its lowest level ever, or 4.1 per cent, in 1994. At that time, the overall unemployment rate was at a historically high level, or 16.6 per cent. This was a skyrocket development from the unemployment level of 3.2 per cent in 1990, fuelled by the economic recession in the early 1990s, which was the most severe economic downturn an industrialised nation had witnessed in modern peacetime (Jonung et al. 2008). During the second part of the 1990s, Finland experienced an economic upheaval and the unemployment rate gradually declined, but the child poverty rate increased sharply. In 2007, it was three times higher than in 1994, or 12 per cent, and has since then stayed only slightly below that level. This increase accompanies the development in many other wealthy nations. Countries that have been heavily affected by the global economic recession in 2008-2012, such as for instance Greece and Iceland, are also those in which children are heavily affected (Gornick & Jäntti 2012; Natali et al. 2014).

Together with family structure, income transfers and other institutional aspects, labour market factors are considered to be primary determinants of child poverty and overall child wellbeing (Bradbury & Jäntti 1999; Chen & Corak 2008). The risk of child poverty increases significantly if parents are unemployed or outside the labour force (Ottosen & Skov 2013). Child poverty in Finland has been studied quite extensively. Still, it is rather unclear to what extent non-employment of one or both parents influences the likelihood of child poverty in Finland, and especially if there is variation in these effects over time. While earlier research has focused on children living in poor households, no studies have, as far as we know, tried to understand the considerable variation in child poverty in Finland during the past three decades from the perspective of the household. In this paper, we aim to do so by using annual microdata at the household level, representing the period 1987-2011. The primary purpose of ours is to analyse how the labour market status of the parents, i.e., being employed, unemployed or outside the labour force, influences the likelihood of households with children being found in poverty, as measured by the equivalised taxable income. Of particular interest is to provide new information on whether and how the effects of these factors have varied over the study period.

In the recent decades, two earners in a family has become the norm, and the one-breadwinner family model is consequently no longer sufficient to protect families against

Camilla Härtull is a PhD student in Social Policy at Åbo Akademi University. Her thesis focuses on poverty and low-income earning, and particularly ethno-linguistic differences, in Finland. Agneta Cederström, PhD, has been a researcher at the Centre for Health Equity Studies in Stockholm and at Åbo Akademi University in Vasa. She has specialised in the use of large-scale databases and statistical analyses. Jan Saarela works as acting professor of Demography with statistics at Åbo Akademi University and was previously professor of Ethnic relations at the University of Helsinki. He has worked extensively with register-based data of longitudinal and intergenerational character.

Corresponding author: Camilla Härtull, camilla.hartull@abo.fi
PB 311 65101 VASA, Finland +358 (0)6 324 7150

poverty (Vaalavuo 2015). At the same time, jobs in many Western countries have become increasingly concentrated in certain households, and increasing employment levels may go together with static or even increasing numbers of jobless households (Gregg & Wadsworth 1996). In virtually all OECD countries, poverty rates in jobless households are more than double the rates in working households (OECD 2009). In Finland and other Western countries, job polarisation has also increased, that is, rising demand of high-skilled and low-skilled jobs relative to the demand of middle-skilled jobs (Goos & Manning 2007; Goos et al. 2014; Mitrunen 2013). Taking all this together, we expect not only increased poverty rates in non-employed households with children, but also increased effects of parents being either unemployed or outside the labour force, as compared to being employed, on the poverty risk.

Previous research on the determinants of child poverty

In this section, some central studies on the determinants on child poverty are presented, all of them using income-based poverty measures. We start with the literature on child poverty in Western nations and thereafter present studies of child poverty in Finland.

Child poverty has been the subject of extensive research internationally. Studies in Western nations generally point to a relationship between child poverty and family structure, and between child poverty and parents' attachment to the labour market. Unequivocally, child poverty occurs above all in one-earner families and jobless families. Children in single-parent households are almost inevitably more likely to be found in poverty than children in households with two parents, because a single parent's employment is constrained by caring responsibilities. Even though income transfers and support systems help to ease the situation for single-parent households, no country has managed to equalise the child poverty rate between one-parent households and two-parent households (Bradbury 2003).

A study by Heuveline and Weinshenker (2008) compared child poverty in households with five different kinds of living arrangements in 15 countries. In almost all countries, poverty rates in those headed by a single female and no other adult present were twice as high as compared to two-earner households. Similar results from comparisons of child poverty in 20 high and middle-income countries were found by Gornick and Jäntti (2012). In the Nordic countries, three per cent of children living in two-earner households, eight per cent of children living with their father, and eleven per cent of the children living with their mother were found to be poor. In the rest of the countries studied, the difference between single- and two-parent households was also notable. In Denmark, studies on poverty among 15-year old children showed that the odds of being poor were almost five times larger for children in families headed by single mothers than for children living with both parents (Ottosen and Skov, 2013). A study of poverty among children under five years of age in the UK showed that after controlling for other characteristics, the odds of being poor was considerably larger for children with single-parent mothers than for children with two parents. If the mother was employed, the odds ratio of poverty between children with single-parent mothers and those with two married and employed parents was almost ten, while if the mother was not employed it was as much as 63 (Bradshaw & Holmes 2010).

In addition to family structure, parents' socioeconomic position and attachment to the labour market are important determinants of child poverty. In Denmark, the importance of socioeconomic status has even turned out to be larger than that of living arrangements (Ottosen & Skov 2013). Unemployment and being outside the labour force are great risk factors. Children whose parent with the family's highest socioeconomic status was outside the labour force were 66 times as likely to be found in poverty as compared to those with a parent employed at the highest level. If the parent was unemployed, the odds ratio was 27. In UK families with children less than three years of age, the odds ratio of poverty between families with neither parent employed and both parents employed was about 10 to 12 (Bradshaw & Holmes 2010). In virtually all other OECD countries, the child poverty risk was also higher if neither parent was employed as compared to if one of them was employed (Whiteford & Adema 2007).

Although a large number of studies show that parents' labour market status is a determinant of child poverty, results from a study in Sweden were slightly different (Lindquist & Sjögren Lindquist 2012). Children who had at least one parent who suffered from unemployment during the year studied did not experience an increase in the probability of being poor. This was explained by a well-functioning unemployment insurance system. Long-term unemployment of the parents did increase the probability of child poverty, however.

Household earnings are shaped by the educational level of parents, which therefore affects child poverty risks. The proportion of children living in poverty is higher in families with low-educated parents in Europe, USA, Canada and Latin America (Gornick and Jäntti, 2011; Munzi & Smeeding 2006). In Denmark, children whose parent with the highest educational level was at the tertiary level were 50 per cent less likely to be poor than if the parent had a primary education (Ottosen & Skov 2013). In Sweden, children with parents who had completed only elementary school were two to three per cent more likely to be poor as compared to those whose parents had high school degrees (Lindquist & Sjögren Lindquist 2012). In UK, there was a notable difference in the poverty risk between children whose mother's educational level was less than lower tertiary and those whose mother had a tertiary level education, after controlling for other characteristics (Bradshaw & Holmes 2010).

Also, the number of children in the family and the size of the household matter. In the UK, the likelihood of being poor was higher if there were two or more children in the household, and the likelihood was increasing by every child (Bradshaw & Holmes 2010; Bradshaw et al. 2006). In Sweden as well, many children in the household implies a higher

probability of being poor. Likewise, children living in larger households both in Sweden and in Denmark are more likely to be poor than those living in smaller households (Lindquist & Sjögren Lindquist 2012; Ottosen & Skov 2013).

Studies have also documented a relationship between child poverty and children's age, and between child poverty and parent's age. In the majority of 20 upper-income countries, younger children were more likely to be found in poverty than older ones. This is particularly true in the Nordic countries, where children under the age of six were about 30 per cent more likely to be poor than children in general (Gornick & Jäntti 2012). This is due to the lower labour market attachment of mothers of young children. Young children's parents are often young themselves and are therefore more likely to be unemployed or hold low-paid jobs as compared to older parents. Additionally, young parents might be less likely to receive some types of social income, such as unemployment and retirement pensions. In Sweden, children with older parents were less likely to be poor than children with young parents (Lindquist & Sjögren Lindquist 2012). Similar results regarding the relationship between child poverty and parental age have been found in the United Kingdom (Bradshaw & Holmes 2010).

Also marital status has an effect on child poverty. In most Western countries, including Finland, child poverty rates are higher in households with cohabiting parents as compared to those with married parents (Bradshaw & Holmes 2010; Heuveline & Weinshenker 2008). In Sweden, on the other hand, marital status appears to be less important for the probability of children to be found in poverty (Lindquist & Sjögren Lindquist 2012).

Another determinant of child poverty is ethnicity. In the UK, child poverty is more common if the mother is of Pakistani, Bangladeshi, black or black British ethnicity than if she is of white or Indian descent (Bradshaw & Holmes 2010). In Denmark, the probability of being poor is higher for children who are immigrants themselves, and for those whose parents are immigrants, as compared to children of Danish ancestry (Ottosen & Skov 2013). Also in Sweden, children in immigrant families are strongly overrepresented among poor children. Being born abroad raises the child's probability of being poor, and it increases additionally if one or both parents were born abroad (Lindquist & Sjögren Lindquist 2012).

The causes of poverty in families with children in Finland are multi-dimensional. Even though there are several risk factors, unemployment is central. The probability of child poverty increases if income from employment is low (Salmi et al. 2009), which corresponds with studies from Denmark (Ottosen & Skov, 2013) and the UK (Bradshaw & Holmes 2010). In 2007, half of the poor families with children had no family member employed (Salmi et al. 2014). Another important determinant of child poverty in Finland is family structure. The likelihood of being poor is considerably higher in one-parent households as compared to two-parent households, which is consistent with studies from other countries (Gornick & Jäntti 2012; Heuveline and Weinshenker, 2008). Households with three or more children are also at a greater risk than are households with one or two children, which corresponds with results from the UK and Sweden (Bradshaw & Holmes 2010; Lindquist & Sjögren Lindquist 2012). Child poverty is more common also in families with children under three years of age, which goes along with findings from most upper-income countries. In Finland, families with teenagers are also at a greater risk than those with children between seven and twelve years of age (Gornick & Jäntti 2011; Salmi et al. 2014; Salmi et al. 2009). Like in other countries, parental education matters as well. Children whose parents with no education after elementary school were four times as likely to be poor as compared to those whose parents had a tertiary level education (Salmi et al. 2009). Parent's educational level and the number of children in the family were although factors that had a downward impact on changes in child poverty in Finland during the 1990s (Chen & Corak 2008).

While it is evident that child poverty rates in Finland have varied a lot during the past three decades, and that parents' position on the labour market is a strong determinant of child poverty, it is still unclear whether and how the effect of parent's labour market status has changed over time. The aim of this article is therefore not only to study the effect of parental labour market status on the likelihood of households with children being found in poverty, but particularly if there has been variation in this effect over the study period 1987-2011.

Data and methods

The data used (with permission TK-53-768-12) come from the Finnish population register and are linked to Statistics Finland's employment statistics file. We have access to a five per cent random sample of all persons (with a native language other than Swedish) who lived in Finland during any of the years 1987-2011. All these index persons can be observed at any of these years, subject to that they lived in the country. Each index person can be linked to the potential partner and to the children, because persons living in the same household have the same unique household code. The size of each household is known, and so is also the age of each person living in it. We can therefore construct households on basis of the random sample of index persons, and focus on those with minor children. For Swedish speakers, who constitute a native group and a minority group in number, there is a similarly constructed 20 per cent random sample. In the analyses, weights are used to account for the different sampling proportions.

Based on recommendations from the EU, a child is considered to be poor if it lives in a household whose equivalised income is under the poverty line, which in the EU usually is 60 per cent of the median equivalised disposable income. Measuring poverty in households with children, which we do in this paper, means that all persons living in the household are accounted for (Jäntti 2010). Our poverty measure is based on equivalised taxable household income. The OECD equivalence scale is used to obtain income per consumption unit. Taxable income refers to income from earnings, self-employment and capital. A similar measure has been used by Lindquist and Sjögren Lindquist (2012), to study child

poverty in Sweden. Since taxation in Finland is at the individual level, the income of the partners can be summed to obtain household income. Income from different years in the data has been converted into 2013 year's prices according to the consumer price index.

We use a relative poverty measure, which here means that two-parent households have less than 60 per cent, and single-parent households less than 30 per cent, of the median equivalised taxable income. Disposable income, or any other alternative for measuring household resources, such as for instance via consumption, was not available from the data. The measure we apply nevertheless yields poverty rates that are roughly similar to those based on the disposable income according to Statistics Finland's official statistics (compare lower part of Figure 1 with upper part of Figure 1). Child poverty rates were consistently higher in single-parent households than in two-parent household, and the poverty rate increased over time in both types of households. According to the official statistics, the poverty rate in single-parent households increased from about 10 to 20 per cent between 1990 and 2013, and in two-parent households from four to seven per cent. In single-parent households in our data, the poverty rate increased from five per cent in 1987 to 23 per cent in 2011, and in two-parent households from three to nine per cent.

Our choice of a poverty line at 30 per cent of the median equivalised taxable income for single-parent households is because a poverty line at 60 per cent would provide unreasonably high poverty rates. This is because single-parent households are economically more vulnerable than two-parent households, and therefore more likely to be overrepresented in the lower part of the taxable income distribution. A 60 per cent poverty line for single-parent households would require disposable income. It includes non-taxable social allowances, such as housing allowance and social assistance, which single-parent households are more likely to receive than two-parent households. In our analyses, we nevertheless tested with using the 60 per cent poverty line, and found that odds ratios of poverty by labour market status in single-parent households were quite similar to the results reported here.

It should be stressed that also the official statistics come with some inherent problems. The information about poverty rates comes from Statistics Finland's income distribution statistics, and it is based on a sample survey of approximately 10,000 households, where most of the information about income is from administrative registers (Statistics Finland 2016b). Yet, the use of a sample survey and interviews implies that there is some uncertainty related to the information on low-income earners, especially in subgroups such as single-parent households. As an illustration, the sudden drop in the poverty rate in single-parent households in 1994-1997 and in 2008-2009 (upper panel in Figure 1), was due to lower median disposable income of all households during economic recessions and, accordingly, a lower poverty line, and not due to real changes in the occurrence of poverty. Likewise, as a result of higher median disposable income of all households in 1992-1993 and 2006-2007, the official poverty rate in single-parent households tended to rise. Similar sharp changes for single-parent household cannot be seen from the data we use (lower panel in Figure 1), since our poverty measure is based on taxable income.

We use logistic regression models to estimate the odds of being categorised as poor. All analyses are at the household level. Since family structure is one of the strongest determinants of child poverty, single-parent and two-parent households are analysed separately. In addition to family structure, parent's engagement in paid work and their education are the most important determinants of child poverty (Gornick & Jäntti 2010). Thus, the explanatory variable in focus is labour market status. Education is controlled for in the last step in the analyses, in order to see whether it explains any remaining variation in the odds of poverty by labour market status. Since we are interested in whether and how estimates for the determinants of poverty differ in size over the observation period, models are estimated separately for each calendar year in the data.

The central explanatory variable in single-parent households is parent's labour market status, and in two-parent households joint labour market status, that is, the contemporary labour market status held by each parent. Labour market status distinguishes persons being employed, unemployed and outside the labour force as measured at the last week of each calendar year.

Control variables used are parents' educational level, age, mother tongue, region of residence, and whether there are children under three years in the household, the number of children under 18, and the number of children who have turned 18. In two-parent households, mother tongue is replaced by language composition of the couple, and we additionally control for marital status and woman's share of the couple's income.

Education is categorised into primary, secondary, and tertiary level. Age separates parents under 36 years from those aged 36-45, and those over the age of 45. Region distinguishes between the metropolitan area (Helsinki, Espoo and Vantaa), other regions with urban settlement, and rural regions. Woman's share of couple's income consists of the categories 0-30 per cent, 31-50 per cent, and more than 50 per cent. Mother tongue separates Finnish speakers, Swedish speakers, and people with some other native language. In the analyses of two-parent households, language composition distinguishes endogamous Finnish speaking couples, endogamous Swedish speaking couples, mixed couples with one Finnish speaker and one Swedish speaker, and couples with some other composition.

As we primarily focus on the effects of labour market status, the estimates for the effects of the control variables are presented in the Appendix. The number of households analysed is on average 63,900 per year.

Results

Poverty rates by labour market status in our data are presented in Figure 2. Graph A is for single-parent households and graphs B and C for two-parent households. The results of

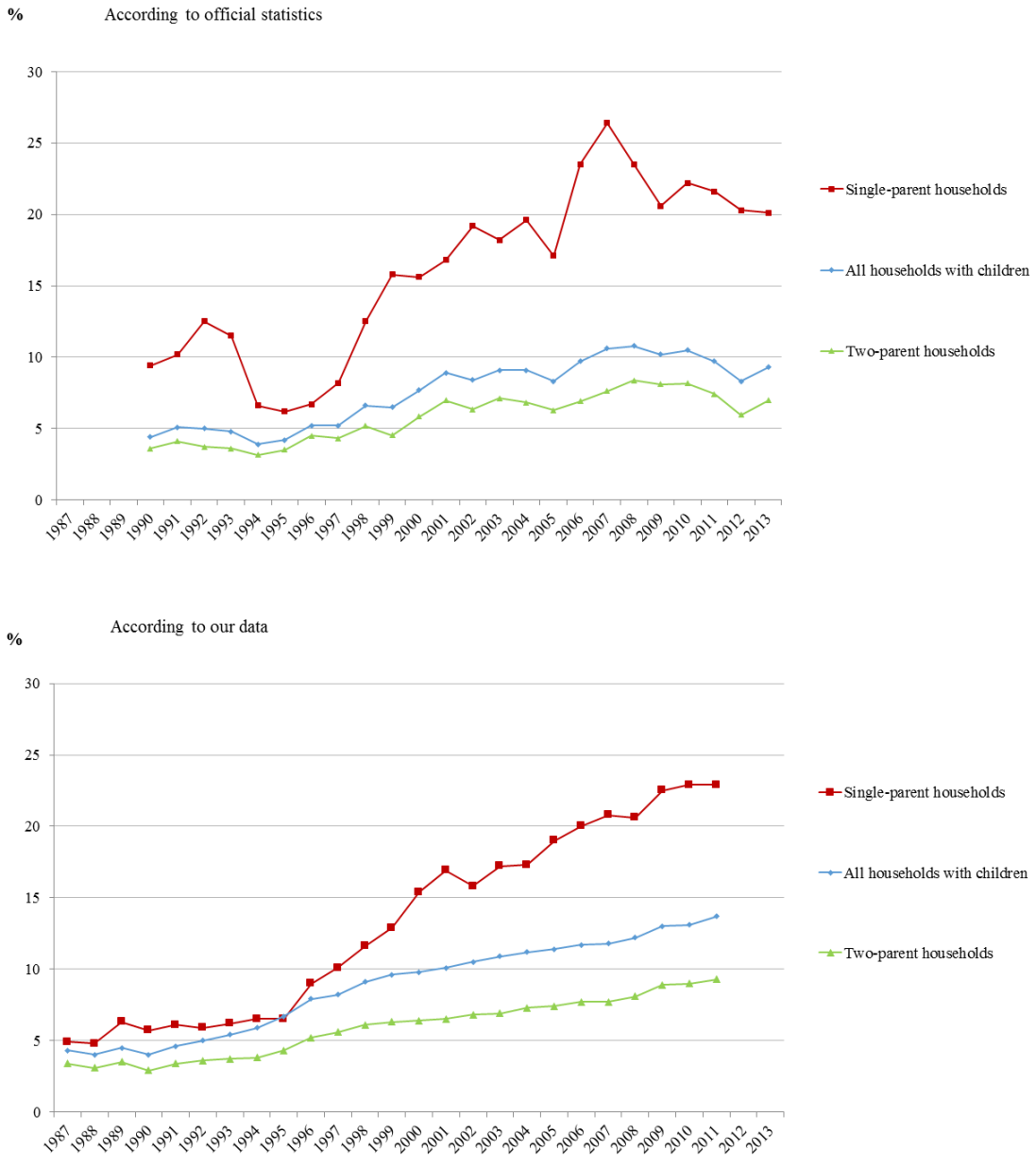


Figure 1. Poverty rates in households with children by household type in 1990-2013/1987-2011. Source of official statistics: Statistics Finland (2016a).

the logistic regression analyses for single-parent households are summarised in Figure 3, and those for two-parent households in Figures 4 and 5. Unadjusted odds ratios for each year are found in graph A in each of the Figures 3, 4 and 5. In graph B, the results are adjusted for all control variables except education. In graph C, education is additionally controlled for.

In single-parent households with the parent being unemployed or outside the labour force, the poverty rates increased notably between 1987 and 2011, whereas there was only a slight rise in households with an employed parent (graph A in Figure 2). In two-parent households, the poverty rates in households with both parents employed were close to constant during the study period, whereas the rise in poverty in households with neither parent in employment more than tripled (graph B in Figure 2). A more detailed picture, which distinguishes each parent by labour market status (graph C in Figure 2), reveals that in households with both parents outside the labour force, the poverty rate was 33 in 1987, and had at the end of the study period increased to 85. The

biggest relative increase was in households with an unemployed man and a woman outside the labour force, with a poverty rate that increased from 21 to 77 per cent during the study period. There was also a remarkable elevation in households with both parents unemployed, and in those with the woman unemployed and the man outside the labour force. Although poverty rates in all types of two-parent households, apart from those with both parents employed, clearly increased between 1987 and 2011, there was a big difference in poverty rates between households with at least one employed, and those with no employed parents, particularly from the mid-1990s.

In terms of odds, single-parent households with the parent being outside the labour force were 21 times as likely to be poor as compared to those with an employed parent in 1987, while in 2011 the odds ratio had increased to around 30 (graph A in Figure 3). For two-parent households (graph A in Figure 4), the odds ratio between households with one employed parent and the other parent outside the labour force, and households with both parents being employed, increased from two to eight during the same period. In 1987, households with both parents outside the labour force were 21 times as likely to be found in poverty as households with both parents employed, while at the end of the study period they were as much as 193 times as likely (graph A in Figure 5). There was also a large increase in the odds ratio of poverty between other types of households with non-employed parents and those with both parents employed during the study period.

Control variables had only a modest effect on the difference in the odds of poverty by labour market status. In single-parent households, their contribution to the differences between unemployed and employed was practically redundant (panels B and C in Figure 3). The difference between households with the parent outside the labour force and those with the parent employed can to a minor extent, from the mid-1990s, be explained by other characteristics than education, and foremost by the presence of children under three years of age (not shown).

In two-parent households, the importance of the control variables was somewhat larger. Figure 4, which gives the odds ratio between households with one employed parent and households with both parents employed, shows that in households where the non-employed person is the man, control variables, except education, explain about half of the differences by labour market status. If the non-employed person is the woman, on the other hand, the differences are not explained by any observable characteristics. Education had some effect on the differences by labour market status from the mid-1990s, especially between households with neither parent employed and both parents employed (panels C in Figures 4 and 5). The contribution of other characteristics was minor. Yet, if the woman was outside the labour force, the presence of children under the age of three had, from the mid-1990s, a small effect on the difference by labour market status (not shown). If both parents were unemployed or the man outside the labour force, the difference by labour market status was from the beginning of the 2000s to a small extent explained by that the parent had a mother tongue other than Finnish or Swedish (not shown).

The estimates of the control variables, which are reported in Tables A1 and A2 in the Appendix, are consistent with earlier findings (Bradshaw & Holmes 2010; Bradshaw et al. 2006; Lindquist & Sjögren Lindquist 2012; Ottosen & Skov 2013). Lower educational levels of parents increased the likelihood of poverty. Poverty was also more likely to be found in households with younger parents as compared to those with older ones, and in households with cohabiting parents as compared to those with married parents. Poverty increased also with the number of minor children, and with unequal income of the parents, and it was more common in households with parents who had a foreign mother tongue.

Some variation over time in the estimates of the control variables was also found. The odds ratio between households whose parents had a primary education and those whose parents had a tertiary level education increased during the study period. The likelihood of being poor increased also in households with at least five children. A low share of the woman's income increased the odds of poverty until the mid-1990s, but not thereafter. The odds ratio of poverty between households in rural and urban regions decreased from around 2.5 at the beginning of the study period to about 1.5 in the early 2010s.

The changes in the distribution of households by parental labour market status during the study period were rather small (Table A3). They cannot therefore hardly explain the growing differences in poverty between households with employed and non-employed parents.

Discussion and conclusion

Since the mid-1990s, child poverty rates in Finland and many other Western nations have increased. Although the causes of child poverty are multi-dimensional, parents' position on the labour market has been considered to be one of the most decisive ones. In this paper, we have analysed the variation in child poverty rates in Finland from the perspective of the household, by using annual microdata representing the period 1987-2011. The primary purpose was to analyse how the labour market status of the parents, i.e., employment, unemployment and being outside the labour force, influences the likelihood of households with children being found in income poverty. Of specific interest has been to see whether these effects have changed over time.

Our analyses show both notable differences in poverty rates by labour market status, and significantly increased differences in poverty rates between employed and non-employed households over time. Thus, parents' attachment to the labour market was shown not only to be an essential determinant of poverty, but its importance has greatly increased since the mid-1990s.

Single-parent households with the parent outside the labour force or unemployed were much more likely to be found in poverty as compared to households with the parent employed, and this difference increased significantly over the study period. Since the difference by labour market status

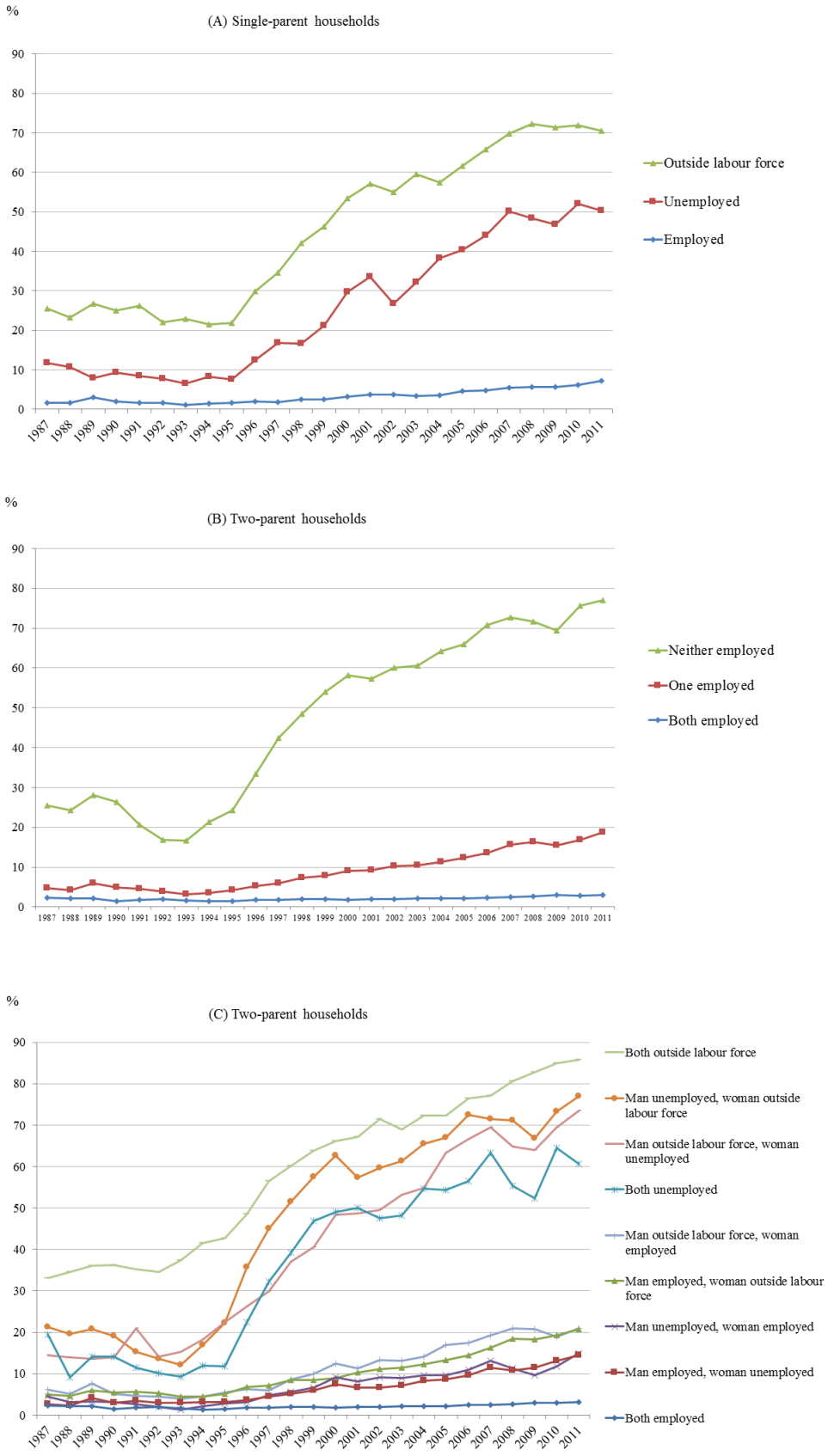


Figure 2. Poverty rates by parental labour market status in single-parent and two-parent households in 1987-2011.

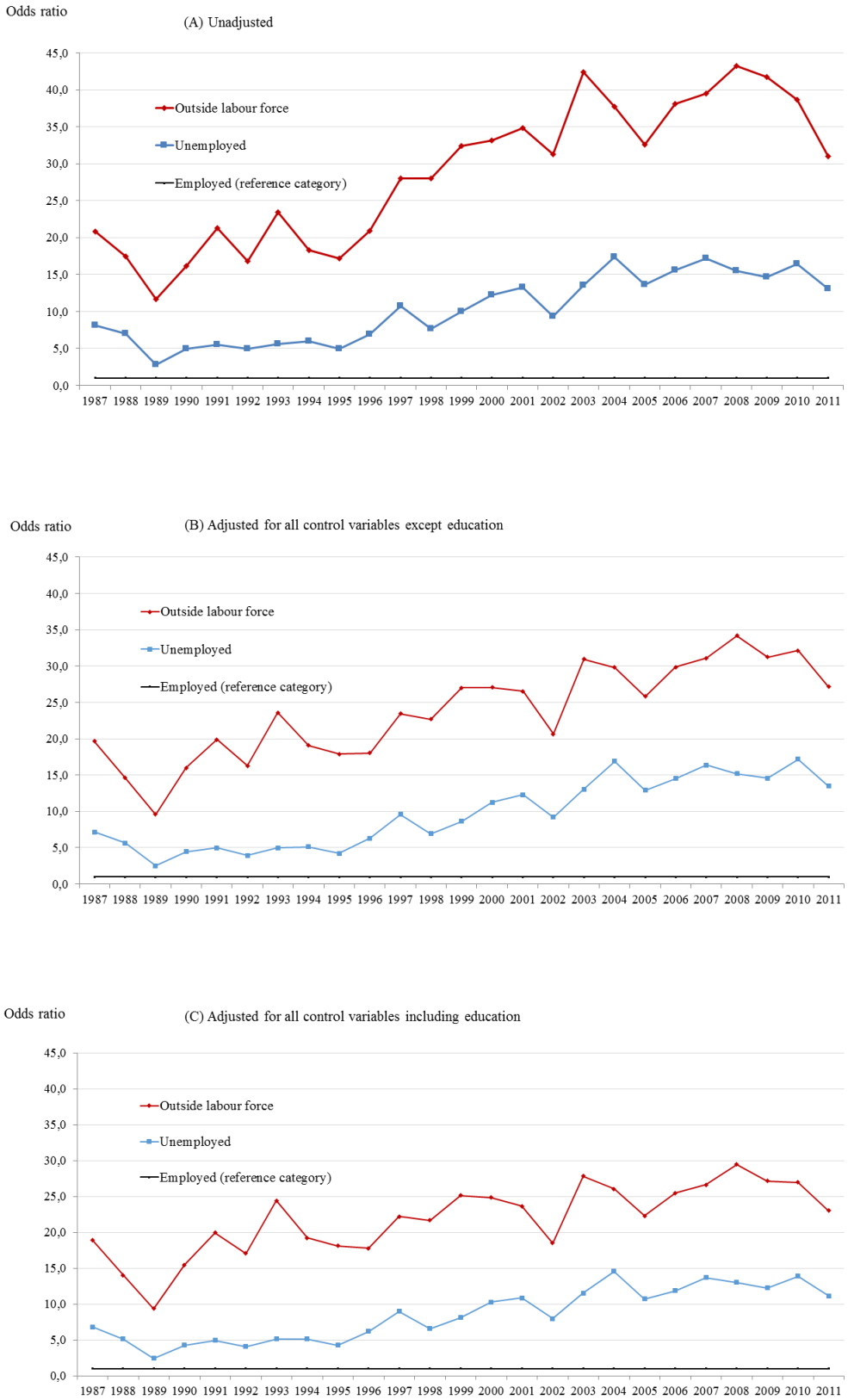
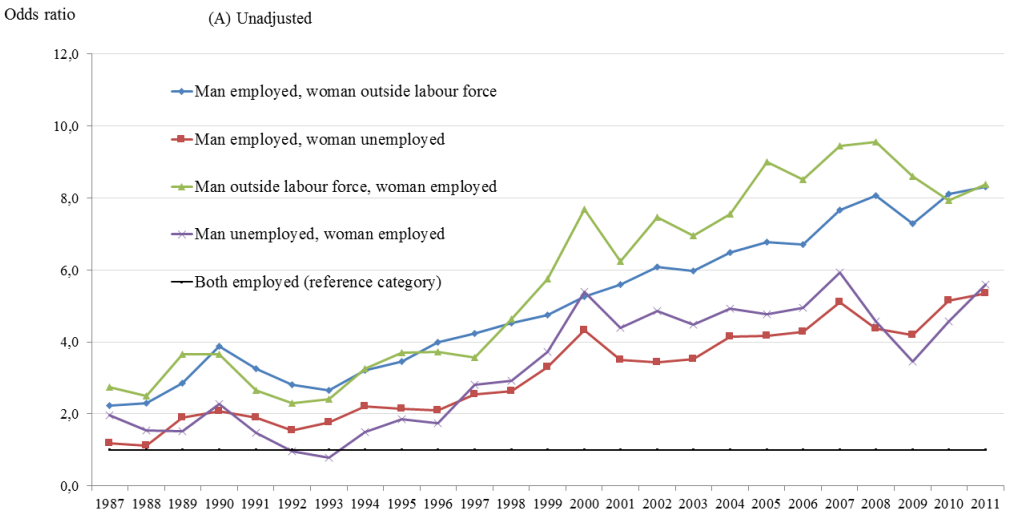
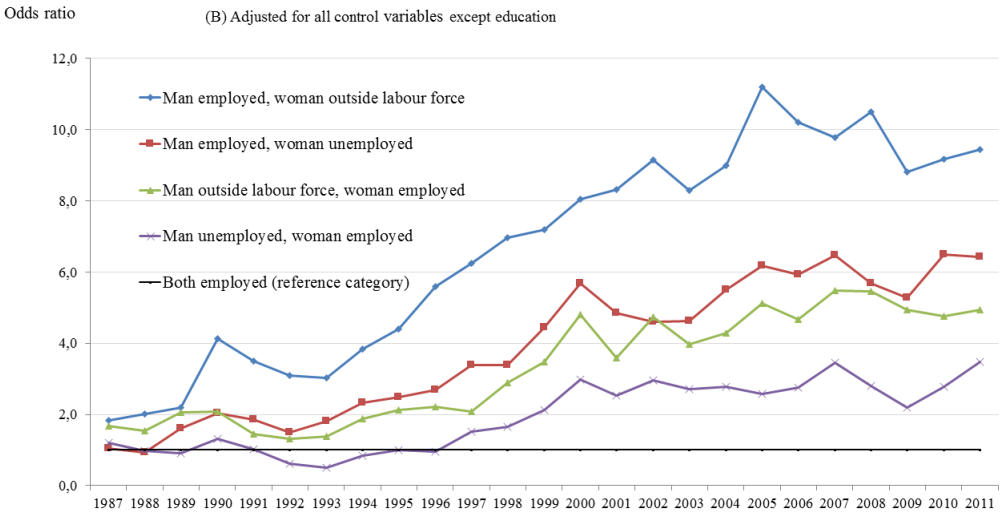


Figure 3. Odds ratios of poverty in single-parent households according to unadjusted and adjusted models, 1987-2011.





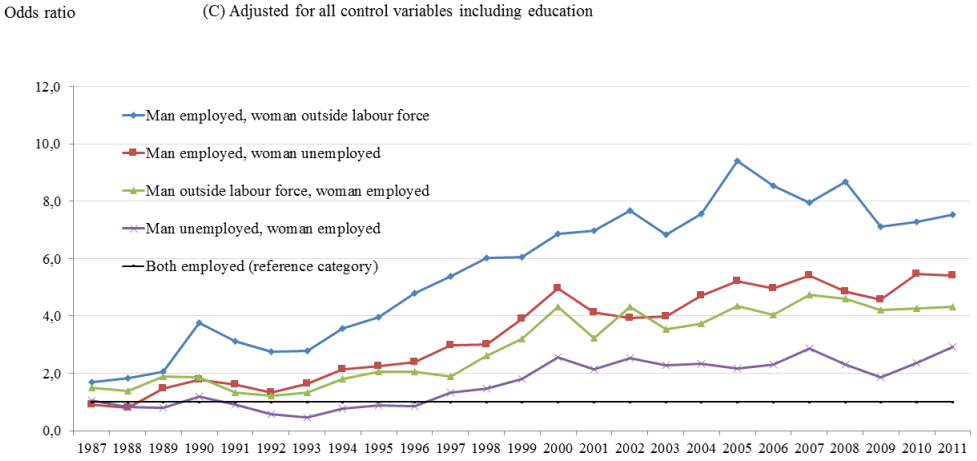


Figure 4. Odds ratios of poverty in two-parent households with one parent employed according to unadjusted and adjusted models, 1987-2011.

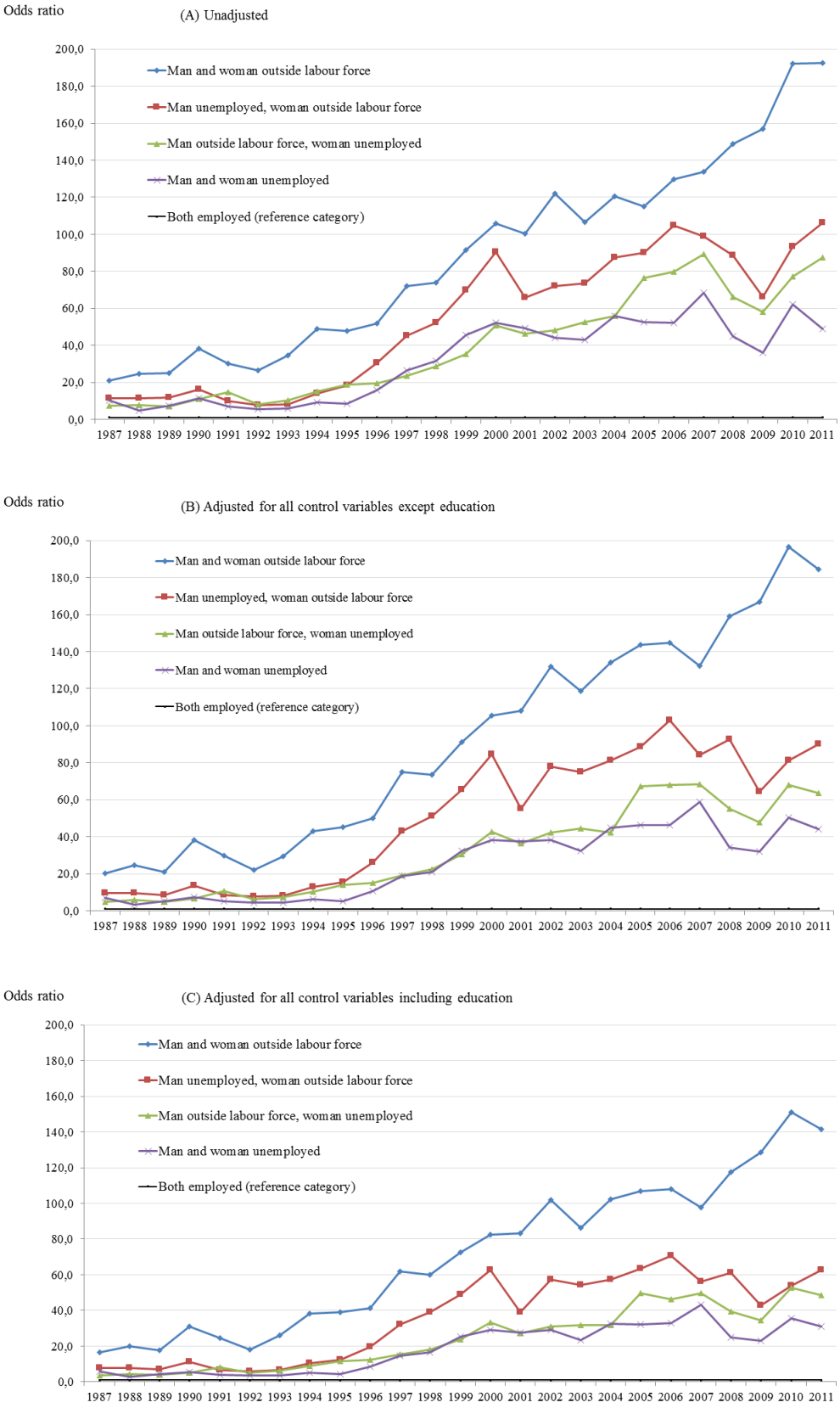


Figure 5. Odds ratios of poverty in two-parent households with no parent employed according to unadjusted and adjusted models, 1987-2011.

could not be attributed to the educational level of the parent or other observable characteristics, increased difficulties in combining family life with work may be one reason behind this development.

In two-parent households, the differences between those with at least one parent employed and those with neither parent employed were also considerable, and they have increased markedly since the mid-1990s. Two-parent households most likely to be poor were those with both parents outside the labour force. In 1987, they were 21 times as likely to be found in poverty as households with both parents employed, and at the end of the study period as much as 193 times as likely. Although children in households with both parents outside the labour force were most affected, those with two unemployed parents, or one unemployed parent and one outside the labour force, were at a very high risk of poverty as well. Within two-parent households, the effects of education on the difference in the odds of poverty between employed and non-employed parents were modest, and other observable characteristics explained even less. The reasons can only be speculated upon, but growing divisions in society might play a role. In many Western countries, jobs have become increasingly concentrated in certain households (Gregg & Wadsworth 1996) and there is a rising inequality in the distribution of employment at the household level (Corluy & Vandenbroucke 2015). During periods of employment growth, this can lead to static or even increasing numbers of working-age households with no one in employment, which in turn can have negative consequences, both in terms of poverty and for psychological well-being and integration into the workforce and the wider society (de Graaf-Zijl & Nolan 2011). Based on some additional data (results not shown), we could see that in Finland, the share of parents working 12 months a year has increased since the mid-1990s. This is a development that corroborates the argument of growing divisions in society, and it is presumably one important reason behind the increasing differences in poverty rates between employed and non-employed households that we have found here.

This divergence might also to some extent be explained by mothers' type of employment. In Finland, the pattern of mothers' actual working time is quite polarised, meaning that a vast majority of mothers either work full-time or do not work at all, while in other Nordic countries part-time employment is much more common (Salin 2014). The situation in Finland partly relates to the child home care allowance. It is directed to families whose youngest child is less than three years old and not in municipal day care, and is received by almost 90 per cent of all families for at least some months after having received parental allowance. In most of these cases, the woman is the parent who stays at home taking care of the child, meaning that a substantial number of mothers are being found outside the labour market. Moreover, lower educated mothers are more likely to use the home care allowance system than higher educated ones (Kela 2015; Krapf 2014). When this allowance is used, there were until 2014 no part time options available, which in practice forced mothers to choose between either work or being at home. Since 2014, a flexible care allowance, which provides better opportunities for part-time work, is offered for parents with children less than three years of age (Kela 2017a). Most likely it is beneficial for households with mothers outside the labour force, and may to some extent reduce their risk of falling below the poverty line.

In its Europe 2020 strategy, the European Union considers low work intensity as a primary indicator of people at risk of poverty or social exclusion (European Commission 2010). Poverty in childhood may have severe consequences in later life, and it may also be passed on to subsequent generations (Gornick & Jäntti 2012). Therefore, more policies specifically directed towards persons outside the labour force, and others at risk of being marginalised, seem utmost needed. One such potential is the basic income experiment, which started in Finland in January 2017. Under this two-year scheme, 2,000 unemployed Finns will receive a guaranteed monthly sum of 560 euro, which will replace their existing social benefits and will be paid even if they find work (Kela 2017b; The Guardian 2017). This is a nationwide experiment, with the primary objective to assess whether an unconditional basic income promotes employment, which we see as a good initiative that may help to diminish poverty.

Acknowledgements

Financial support from Högskolestiftelsen i Österbotten, Svenska Litteratursällskapet i Finland and Aktiastiftelsen i Vasa is gratefully acknowledged.

References

Bradbury, B. (2003). *Child poverty: a review*. Policy Research Paper, No 20. Canberra: Austrakia Commonwealth Department of Family and Community Services.

Bradbury, B., & Jäntti, M. (1999). *Child poverty across industrialized nations*. Innocenti Occasional Papers, Economic Policy Series No. 71. Florence: UNICEF International Child Development Centre.

Bradshaw, J., Finch, N., Mayhew, E., Ritakallio, V.-M., & Skinner, C. (2006). *Child poverty in large families*. Research Report. Bristol: Policy Press.

Bradshaw, J., & Holmes, J. (2010). Child poverty in the first five years of life. In K. Hansen, H. Joshi, & S. Dex (Eds.), *Children of the 21st century: the first five years* (pp. 13–31). The Policy Press.

Chen, W.-H., & Corak, M. (2008). Child poverty and changes in child poverty. *Demography*, *45*, 537–553.

Corluy, V., & Vandenbroucke, F. (2015). *Polarisation of employment over households revisited: the Belgian case*. Discussion Paper Series 15.08. Leuven: KU Leuven, Faculty of Economics and Business, Center for Economic Studies.

de Graaf-Zijl, M., & Nolan, B. (2011). Household joblessness and its impact on poverty and deprivation in Europe. *Journal of European Social Policy*, *21*, 413–431.

European Commission. (2010). *Europe 2020. A strategy for smart, sustainable and inclusive growth.* Communication from the Commission. Brussels: European Commission.

Goos, M., & Manning, A. (2007). Lousy and lovely jobs: the rising polarization of work in Britain. *The Review of Economics and Statistics*, *89*, 118–133.

Goos, M., Manning, A., & Salomons, A. (2014). Explaining job polarization: routine-biased technological change and offshoring. *The American Economic Review*, *104*, 2509–2526.

Gornick, J. C., & Akbag, M. (2011). *Child poverty in comparative perspective: assessing the role of family structure and parental education and employment*. LIS working paper series 570. Luxenbourg: Luxenbourg Income Study.

Gornick, J. C., & Jäntti, M. (2010). Child Poverty in Upper-Income Countries: Lessons from the Luxembourg Income Study. In S. B. Kamerman, S. Phipps, & A. Ben-Arieh (Eds.), *From child welfare to child well-being: an international perspective on knowledge in the service of policy making* (pp. 339–368). New York: Springer.

Gornick, J. C., & Jäntti, M. (2012). Child poverty in cross-national perspective: lessons from the Luxembourg Income Study. *Children and Youth Services Review*, *34*, 558–568.

Gregg, P., & Wadsworth, J. (1996). More work in fewer households. In J. Hills (Ed.), *New inequalities.* (pp. 181–207). Cambridge: Cambridge University Press.

Heuveline, P., & Weinshenker, M. (2008). The international child poverty gap: does demography matter? *Demography*, *45*, 173–191.

Jäntti, M. (2010). Lapsiköyhyydestä Suomessa. In U. Hämäläinen & O. Kangas (Eds.), *Perhepiirissä* (pp. 62–75). Helsinki: The Social Insurance Institution.

Jonung, L., Kiander, J., & Vartia, P. (2008). *The great financial crisis in Finland and Sweden: the dynamics of boom, bust and recovery, 1985-2000.* European Commission Economic Papers, No 350. Brussels: European Commission.

Kela. (2015). *Statistical yearbook of the Social Insurance Institution.* Helsinki: The Social Insurance Institution.

Kela, a. (2017). *Flexible care allowance*. Retrieved 2017-02-14, from `http://www.kela.fi/web/en/flexible-care-allowance`

Kela, b. (2017). *Basic Income Experiment 2017–2018*. Retrieved 2017-02-14, from `http://www.kela.fi/web/en/basic-income-experiment-2017-2018`

Krapf, S. (2014). Who uses public childcare for 2-year-old children? Coherent family policies and usage patterns in Sweden, Finland and Western Germany. *International Journal of Social Welfare*, *23*, 25–40.

Lindquist, M. J., & Lindquist, G. S. (2012). The dynamics of child poverty in Sweden. *Journal of Population Economics*, *25*, 1423–1450.

Mitrunen, M. (2013). *Työmarkkinoiden polarisaatio Suomessa.* VATT muistiot 33. Helsinki: Government Institute for Economic Research.

Munzi, T., & Smeeding, T. (2006). *Conditions of social vulnerability, work and low income, evidence for Spain in comparative perspective* (Tech. Rep.). LIS Working Paper Series 448. Luxenbourg: Luxenbourg Income Study.

Natali, L., Handa, S., Chzhen, Y., & Martorano, B. (2014). *Changes in Child Poverty in the OECD/EU during the Great Recession: An initial view.* Innocenti Working Paper No 2014-16. Florence: UNICEF Office of Research.

OECD. (2009). *Is Work the Best Antidote to Poverty? In OECD Employment Outlook 2009: Tackling the Jobs Crisis*. Paris: OECD Publishing.

Ottosen, M. H., & Skov, P. R. (2013). Fattigdom blandt bøorn født i 1995. *Dansk Sociologi*, *24*, 71.

Salin, M. (2014). *Opportunities, constraints and constrained opportunities - a study on mothers' working time patterns in 22 European countries*. Finnish yearbook of Population Research XLIX 2014 Supplement. Helsinki: The Population Research Institute.

Sauli, H., Lammi-Taskula, J., & Salmi, M. (2014). Lapsiperheiden toimeentulo. In J. Lammi-Taskula & S. Karvonen (Eds.), *Lapsiperheiden hyvinvointi 2014* (pp. 82–105). Helsinki: National Institute for Health and Welfare.

Sauli, H., Salmi, M., & Lammi-Taskula, J. (2009). Lapsiperheiden toimeentulo. In J. Lammi-Taskula, S. Karvonen, & S. Ahlström (Eds.), *Lapsiperheiden hyvinvointi 2009* (pp. 78–93). Helsinki: National Institute for Health and Welfare.

Statistics Finland. (2013). *Pienituloisuusindikaattoreita 1966–2013. [Low-income indicators 1966–2013].* Helsinki: Statistics Finland.

Statistics Finland, a. (2016). *At risk of poverty indicators by life-cycle of household 1990-2014.* Retrieved from `http://pxnet2.stat.fi/PXWeb/pxweb/en/StatFin/StatFin__tul__tjt/?tablelist=true&rxid=9fc9c5dd-78e3-4a32-a8b9-1af69b8da35c.`

Statistics Finland, b. (2016). *Income distribution statistics*. Retrieved from `http://stat.fi/meta/til/tjt_en.html.`

The Guardian. (2017). *Finland trials basic income for unemployed*. Retrieved from `https://www.theguardian.com/world/2017/jan/03/finland-trials-basic-income-for-unemployed`

Vaalavuo, M. (2015). *Working parents the best protection against child poverty.* European Commission.

Whiteford, P., & Adema, W. (2007). *What works best in reducing child poverty: a benefit or work strategy?* OECD Social Employment and Migration Working Papers, no 51. Paris: OECD Publishing.

APPENDIX

Table A1. Odds ratios of income poverty in single-parent households (all estimates).

	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998
Labour market status												
Employed	1	1	1	1	1	1	1	1	1	1	1	1
Unemployed	6.82*	5.12*	2.44*	4.26*	4.95*	4.07*	5.15*	5.12'	4.25*	6.18*	8.96*	6.59*
Outside the labour force	18.93*	14.02*	9.34*	15.45*	19.96*	17.08*	24.39*	19.22*	18.11*	17.76*	22.21*	21.65*
Parent's education												
Primary	1.63*	2.28*	1.25	1.46*	1.03	0.68	0.79	0.96	0.91	1.12	1.47*	1.45*
Secondary	1.21	1.51	0.92	1.08	0.84	0.85	0.77	0.89	0.99	1.08	1.02	0.99
Tertiary	1	1	1	1	1	1	1	1	1	1	1	1
Children < three years in the household												
No	1	1	1	1	1	1	1	1	1	1	1	1
Yes	0.98	1.09	1.30	0.56	0.73	0.71	0.63	0.49	0.52	0.84	0.95	1.26
Children < 18 years in the household												
One	1	1	1	1	1	1	1	1	1	1	1	1
Two	1.00	0.99	0.80	0.83	1.18	1.34*	0.92	1.02	1.37*	1.16	1.38*	1.59*
Three or four	2.29*	1.83*	1.10	1.33	1.68*	2.11*	1.28	1.39*	1.41*	2.40*	3.00*	4.16*
Five or more	1.31	1.27	7.39*	3.25*	2.63*	6.62*	1.99	4.27*	7.36*	7.63*	7.85*	5.38*
Children 18 years or more in the household												
No	1	1	1	1	1	1	1	1	1	1	1	1
One	0.33	046	0.65	0.47	0.47	0.28	0.45	0.8	072	0.95	0.82	0.67
Two or more	0.51	0.38	0.46	0.74	0.75	0.22	0.55	0.41	0..77	1.30	0.49	0.40
Parent's age												
< 36 years	3.03*	1.78*	2.06*	3.50*	2.37*	3.09*	2.92*	2.86*	3.34*	4.30*	3.26*	2.19*
36-45 years	1.63*	1.02	1.09	1.67*	1.47	2.23*	2.18*	1.64*	1.91*	2.47*	2.06*	1.48*
46 years and >	1	1	1	1	1	1	1	1	1	1	1	1
Region												
Urban regions	1	1	1	1	1	1	1	1	1	1	1	1
Metropolitan area	0.95	0.83	0.74	0,83	0.95	1.05	1.00	1.38*	1.10	1.38*	1.07	0.72
Rural regions	1.15	1.31	1.24	1.26	1.57*	1.49*	1.31*	1.51*	1.65*	1.70*	1.52*	1.36*
Parent's native language												
Finnish	1	1	1	1	1	1	1	1	1	1	1	1
Swedish	1.76	1.52*	1.44*	1.58*	1.39*	1.31	1.84*	1.22	1.39*	1.21	1.11	1.32*
Other	1.98	3.39*	2.98*	11.33*	7.12*	15.14*	3.53*	2.79*	2.33*	1.87*	1.71*	2.84*
Parent's sex												
Female	1	1	1	1	1	1	1	1	1	1	1	1
Male	0.92	0.28	0.89	0.91	0.72	089	1.11	1.11	1.18	1.01	1.02	0.84

* $p < 0.05$

Table A1. Odds ratios of income poverty in single-parent households (all estimates).

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Labour market status													
Employed	1	1	1	1	1	1	1	1	1	1	1	1	1
Unemployed	8.09*	10.29*	10.87*	7.95*	11.52*	14.57*	1070*	11.84*	13.67*	13.02*	12.26*	13.86*	11.15*
Outside the labour force	25.11*	24.84*	23.63*	18.51*	27.82*	26.02*	22.29*	25.46*	26.61*	29.46*	27.13*	26.95*	23.01*
Parent's education													
Primary	1.58*	1.72*	2.18*	2.34*	2.58*	2.41*	3.15*	3.92*	3.57*	3.47*	3.23*	4.27*	4.72*
Secondary	1.19	1.40*	1.58*	1.41*	1.38*	1.37*	1.76*	1.90*	1.80*	1.71*	1.49*	1.84*	1.95*
Tertiary	1	1	1	1	1	1	1	1	1	1	1	1	1
Children < three years in the household													
No	1	1	1	1	1	1	1	1	1	1	1	1	1
Yes	1.26*	1.41*	1.64*	2.45*	1.85*	1.59*	1.73*	1.98*	1.73*	1.73*	1.81*	1.51*	1.36*
Children < 18 years in the household													
One	1	1	1	1	1	1	1	1	1	1	1	1	1
Two	1.66*	1.97*	1.91*	1.52*	1.82*	2.15*	1.76*	1.78*	1.55*	1.53*	1.53*	1.46*	1.72*
Three or four	3.83*	3.45*	3.36*	3.67*	3.88*	3.73*	3.47*	3.46*	3.34*	2.78*	2.77*	3.02*	3.66*
Five or more	8.51*	5.84*	7.33*	8.32*	33.58*	18.06*	9.64*	12.97*	13.05*	16.90*	37.91*	30.64*	3.80*
Children 18 years or more in the household													
No	1	1	1	1	1	1	1	1	1	1	1	1	1
One	0.71	0.68	0.98	069	0.82	1.03	1.13	0.78	0.78	0.89	0.98	0.61*	0.85
Two or more	0.78	0.26	0.55	0.29	0.38	1.27	0.93	0.67	0.63	0.13	0.49	0.45	0.38
Parent's age													
< 36 years	2.89*	2.47*	2.49*	1.82*	2.27*	2.37*	1.99*	1.87*	2.09*	2.60*	2.46*	2.26*	2.45*
36-45 years	2.01*	1.36*	1.32*	1.13	1.33*	1.23	1.22	1.08	1.15	1.32*	1.41*	1.08	1.27*
46 years and >	1	1	1	1	1	1	1	1	1	1	1	1	1
Region													
Urban regions	1	1	1	1	1	1	1	1	1	1	1	1	1
Metropolitan area	0.78	0.86	0.76	0.84	0.79*	0.87	0.88	0.77*	0.99	0.99	0.96	1.09	1.05
Rural regions	1.04	1.05	0.99	1.03	0.73*	1.07	0.78	0.80	0.81	0.81	0.98	0.86	0.76
Parent's native language													
Finnish	1	1	1	1	1	1	1	1	1	1	1	1	1
Swedish	1.05	0.98	1.15	0.85	1.17	1.04	0.84	0.97	1.10	1.02	0.93	1.12	1.01
Other	2.33*	3.58*	3.54*	2.32*	2.96*	2.83*	3.71*	3.19*	3.32*	4.20	3.70*	3.03	3.45*
Parent's sex													
Female	1	1	1	1	1	1	1	1	1	1	1	1	1
Male	0.90	0.99	0.77	0.64*	0.76	0.81	0.88	0.82	0.72	0.78	0.70	0.51	0.73*

* $p < 0.05$

Table A2. Odds ratios of income poverty in two-parent households (all estimates).

	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998
Joint labour market status												
Both employed	1	1	1	1	1	1	1	1	1	1	1	1
Man employed, woman unemployed	1.91	0.81	1.46*	1.78*	1.60*	1.32*	1.64*	2.13*	2.26*	2.39*	2.99*	3.02*
Man employed, woman outside the labour force	1.68*	1.83*	2.05*	3.76*	3.11*	2.75*	2.78*	3.55*	3.96*	4.78*	5.39*	6.02*
Man unemployed, woman employed	1.06	0.64	0.80	1.18	0.90	0.57*	0.46*	0.77	0.88	0.85	1.32*	1.46*
Both unemployed	5.75*	2.65*	4.24*	5.68*	4.16*	3.54*	3.58*	5.08*	4.31*	8.50*	14.76*	16.42*
Man unemployed, woman outside the labour force	7.81*	7.82*	7.07*	1.15*	6.47*	5.98*	6.46*	10.46*	12.27*	19.72*	32.14	39.14*
Man outside the labour force, woman employed	1.49*	1.38*	1.88*	1.86*	1.33*	1.23*	1.33*	1.80*	2.04*	2.07*	1.90*	2.61*
Man outside the labour force, woman unemployed	3.67*	4.38*	3.99*	5.19*	8.17*	4.98*	6.14*	8.86*	11.76*	12.38*	15.59*	17.93*
Both outside the labour force	16.69*	19.94*	17.81*	31.00*	24.55*	17.97*	25.95*	38.40*	38.87*	41.32*	61.85	59.80*
Man's education												
Primary	2.12*	1.99*	1.50*	1.76*	1.62*	1.51*	1.54*	1.37*	1.31*	1.49*	1.63*	1.56*
Secondary	1.60*	1.50*	1.28*	1.32*	1.22*	1.27*	1.23*	1.09	1,11	1.22*	1.27*	1.16*
Tertiary	1	1	1	1	1	1	1	1	1	1	1	1
Woman's education												
Primary	2.57*	2.76*	2.01*	2.48*	2.65*	2.32*	1.93*	1.96*	2,23*	2.53*	2.53*	2.68*
Secondary	2.10*	2.27*	1.68*	1.70*	1.70*	1.69*	1.55*	1.65*	1,65*	1.80*	1.94*	1.88*
Tertiary	1	1	1	1	1	1	1	1	1	1	1	1
Children < three years in the household												
No	1	1	1	1	1	1	1	1	1	1	1	1
Yes	1.04	0.97	0.99	0.71*	0.74*	0.61*	0.53*	0.53*	0,64*	0.89	0.88*	0.87*
Children < 18 years in the household												
One	1	1	1	1	1	1	1	1	1	1	1	1
Two	1.39*	1.53*	1.31*	1.37*	1.46*	1.30*	1.24*	1.23*	1.23*	1.45*	1.40*	1.31*
Three or four	2.65*	2.62*	2.18*	2.51*	2.54*	2.26*	2.54*	2.43*	2.66*	2.95*	2.92*	2.59*
Five or more	5.44*	5.80*	4.14*	6.92*	7.32*	8.17*	8.27*	7.51*	8.86*	9.83*	10.82*	9.13*
Children 18 years or more in the household												
No	1	1	1	1	1	1	1	1	1	1	1	1
One	0.76*	0.87	0.80*	0.81	0.89	1.06	0.88	0.94	0.88	0.85	1.02	1.09
Two or more	0.70	0.79	0.81*	0.57	0.75	0.70	0.93	0.69	0.90	1.24	1.00	0.78
Man's age												
< 36 years	0.88	1.03	1.24*	1.49*	1.22*	1.32*	1.16	0.91	1.10	0.98	1.30*	1.65*
36-45 years	0.78*	1.01	1.17	1.09	1.03	1.12	1.07	0.86	0.98	0.85*	1.09	1.12
46 years and >	1	1	1	1	1	1	1	1	1	1	1	1
Woman's age												
< 36 years	1.53*	1.33*	1.30*	1.51*	1.51*	1.19	1.21	1.67*	1.37*	1.80*	1.36*	1.44*
36-45 years	1.49*	1.11	1.19	1.42*	1.38*	1.05	1.01	1.34*	1.23*	1.50*	1.18*	1.24*
46 years and >	1	1	1	1	1	1	1	1	1	1	1	1
Marital status												
Married	1	1	1	1	1	1	1	1	1	1	1	1
Cohabiting	1.27*	1.14	1.56*	1.31*	1.13	1.07	1.07	1.13	1.15*	1.20	1.20*	1.14*
Region												
Urban regions	1	1	1	1	1	1	1	1	1	1	1	1
Metropolitan area	0.63*	0.59*	0.84	0.67*	0.80*	0.83*	091	0.96	0.91	0.90	0.88	0.78*
Rural regions	2.52*	2.44*	2.00*	2.12*	1.97*	1.69*	1.70*	1.65*	1.71*	1.68*	1.53*	1.65*
Woman's share of couple's income												
0-30 %	1.92*	1.86*	3.18*	1.78*	1.86*	1.94*	1.87*	1.56*	1.15*	0.62*	0.56*	0.50*
31-50 %	1	1	1	1	1	1	1	1	1	1	1	1
> 50 %	3.97*	4.31*	7.06*	5.53*	5.25*	5.07*	4.71'	4.38*	4.20*	3.52*	3.40*	3.13*
Parents' native language												
Finnish speakers	1	1	1	1	1	1	1	1	1	1	1	1
Swedish speakers	0.89	1.01	1.15	1.11	0.97	1.05	1.23*	1.14	1.18*	0.89	0.93	0.89
One Finnish and one Swedish speaker	0.57*	0.74*	0.86	0.68	0.51*	0.58*	0.72	0.94	0.69	0.76	0.79	0.96
Other compositions	2.96*	3.70*	3.63*	5.19*	4.20*	4.28*	5.29*	4.69*	4.48*	5.69*	5.15*	5.43*

* $p < 0.05$ The results are based on models estimated separately for each calendar year in the data.

Table A2. Odds ratios of income poverty in two-parent households (all estimates).

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Joint labour market status													
Both employed	1	1	1	1	1	1	1	1	1	1	1	1	1
Man employed, woman unemployed	3.91*	4.97*	4.11*	3.92*	3.98*	4.71*	5.21*	4.97*	5.41*	4.84*	4.56*	5.46*	5.42*
Man employed, woman outside the labour force	6.05*	6.86*	6.97*	7.68*	6.82*	7.57*	9.40*	8.54*	7.96*	8.86*	7.10*	7.28*	7.54*
Man unemployed, woman employed	1.80*	2.56*	2.14*	2.52*	2.27*	2.34*	2.17*	2.30*	2.88*	2.31*	1.87*	2.37*	2.93*
Both unemployed	25.27	29.24*	27.68*	29.07*	23.55*	32.52*	32.15*	32.89*	43.10*	25.04*	23.13*	35.68*	31.04*
Man unemployed, woman outside the labour force	48.85*	62.56*	39.18*	57.42*	54.39*	57.27*	63.52*	70.67*	56.31*	61.16*	42.99*	54.08*	62.72*
Man outside the labour force, woman employed	3.20*	4.32*	3.24*	4.32*	3.53*	3.72*	4.34*	4.03*	4.74*	4.60*	4.22*	4.26*	4.31*
Man outside the labour force, woman unemployed	23.83*	33.17*	27.13*	31.11*	31.92*	31.74*	49.88*	46.27*	49.70*	39.38*	34.51*	52.69*	48.68*
Both outside the labour force	72.49*	82.51	83.19	101.75*	86.43*	102.13*	107.03*	107.84*	97.90*	117.55*	128.77*	150.97	141.54*
Man's education													
Primary	1.76*	1.69*	1.87*	2.00*	1.95*	1.89*	2.03*	2.28*	2.26*	2.23*	2.03*	2.38*	2.48
Secondary	1.30*	1.33*	1.40*	1.42*	1.42*	1.40*	1.48*	1.60*	1.53*	1.60*	1.43*	1.62*	1.67*
Tertiary	1	1	1	1	1	1	1	1	1	1	1	1	1*
Woman's education													
Primary	2,74*	3.03*	3.32*	3.07*	3.08*	3.61*	3.72*	3.45*	3.78*	3.51*	3.57*	3.50*	3.64*
Secondary	1,85*	1.83*	1.97*	1.96*	2.09*	2.14*	2.01*	2.16*	2.22*	1.98*	2.28*	2.09*	2.12*
Tertiary	1	1	1	1	1	1	1	1	1	1	1	1	1*
Children < three years in the household													
No	1	1	1	1	1	1	1	1	1	1	1	1	1
Yes	0,98	1.03	1.14*	1.15*	1.19*	1.20*	1.24*	1.24*	1.27*	1.25*	1.29*	1.25*	1,26*
Children < 18 years in the household													
One	1	1	1	1	1	1	1	1	1	1	1	1	1
Two	1,27*	1.28*	1.36*	1.45*	1.44*	1.41*	1.55*	1.31*	1.31*	1.34*	1.34*	1.30*	1.37*
Three or four	2,65*	2.70*	2.81*	3.09*	3.14*	3.03*	3.42*	2.90*	2.97*	2.70*	2.88*	2.87*	3.30*
Five or more	10,69*	11.61*	13.41*	13.61*	13.46*	12.75*	15.63*	14.41*	14.59*	15.44*	13.56*	15.23*	16.04*
Children 18 years or more in the household													
No	1	1	1	1	1	1	1	1	1	1	1	1	1
One	1.06	1.19*	1.11	1.29*	1.27*	1.32*	1.52*	1.22*	1.21*	1.33*	1.30*	1.25*	1.16*
Two or more	1.23	0.89	1.14	1.30	1.80*	1.53*	1.47*	1.53*	1.38*	1.31	1.31*	1.16	1.36*
Man's age													
< 36 years	1.41*	1.09	1.14	1.17	1.10	1.32*	1.39*	1.43*	1.23*	1.08	0.89	1.09	1.11*
36-45 years	1.15*	1.05	0.95	1.04	0.99	1.12	1.09	1.13*	1.01	0.97	0.84*	0.91	1.02
46 years and >	1	1	1	1	1	1	1	1	1	1	1	1	1
Woman's age													
< 36 years	1.37*	1.81*	1.59*	1.73*	1.63*	1.35*	1.21*	1.16*	1.34*	1.45*	1.54*	1.54*	1.17*
36-45 years	1.14	1.38*	1.39*	1.55*	1.38*	1.27*	1.21*	1.28*	1.30*	1.34*	1.37*	1.32*	1.02
46 years and >	1	1	1	1	1	1	1	1	1	1	1	1	1
Marital status													
Married	1	1	1	1	1	1	1	1	1	1	1	1	1
Cohabiting	1.18*	1.25*	1.17*	1.10	1.16*	1.24*	1.13*	1.16*	1.17*	1.14*	1.21*	1.12*	1.14*
Region													
Urban regions	1	1	1	1	1	1	1	1	1	1	1	1	1
Metropolitan area	0.75*	0.69*	0.71*	0.71*	0.72*	0.73*	0.89	0.89*	0.93*	0.88	0.94	0.89*	0.90*
Rural regions	1.054*	1.52*	1.61*	1.59*	1.59*	1.35*	1.43*	1.46*	1.50*	1.53*	1.59*	1.51*	1.46*
Woman's share of couple's income													
0-30 %	0.46*	0.43*	0.42*	0.41*	0.47*	0.49*	0.37*	0.45*	0.54*	0.59*	0.67*	0.68*	0.66*
31-50 %	1	1	1	1	1	1	1	1	1	1	1	1	1
> 50 %	2.94*	2.80*	2.85*	2.69*	3.08*	3.30*	3.53*	3.47*	3.36*	3.72*	3.66*	3.45*	3.18*
Parents' native language													
Finnish speakers	1	1	1	1	1	1	1	1	1	1	1	1	1
Swedish speakers	1.14	0.91	0.95	0.89	0.91	0.83*	1.00	0.92	0.96	0.91	0.90	0.84*	0.81*
One Finnish and one Swedish speaker	1.02	0.91	0.82	0.95	0.88	0.74	0.96	0.80	0.98	0.76	0.65*	0.68*	0.77*
Other compositions	5.61*	5.54*	5.05*	4.19*	4.14*	3.97*	3.50*	3.48*	3.65*	3.31	3.04*	2.89*	2.90*

* $p < 0.05$ The results are based on models estimated separately for each calendar year in the data.

Table A3. Distribution of households by labour market status, 1987-2011.

	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Two-parent households													
Both employed	76.2	76.3	76.9	75.2	67.9	61.3	56.4	58.3	59.6	61.3	64.5	66.6	68.0
Man employed, woman unemployed	3.1	2.7	2.2	2,3	4.5	7.0	8.8	9.2	8.4	8.5	7.7	7.1	6.6
Man employed, woman outside the labour force	12.9	13.8	14.0	14,2	13.7	13.2	13.0	13.3	13.9	12.8	13.3	13.4	13.0
Man unemployed, woman employed	2.1	1.7	1.5	2.3	5.6	7.5	8.3	6.5	5.8	5.8	4.4	3.6	3.6
Both unemployed	0.5	0.4	0.2	0.3	1.1	2.1	3.0	2.5	2.3	2.2	1.7	1.6	1.4
Man unemployed, woman outside the labour force	0.5	0.5	0.5	0.8	1.8	2.7	3.6	3.1	2.9	2.5	2.0	1.8	1.6
Man outside the labour force, woman employed	3.3	3.3	3.3	3.5	3.6	3.8	4.0	4.2	4.2	4.1	3.8	3.5	3.3
Man outside the labour force, woman unemployed	0.3	0.3	0.2	0.2	0.4	0.8	1.1	1.1	1.0	1.0	1.0	0.8	0.8
Both outside the labour force	1.1	1.0	1.2	1.3	1.4	1.5	1.9	1.9	1.9	1.8	1.7	1.6	1.6
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Single-parent households													
Employed	82.6	82.5	76.9	80.4	73.4	67.9	62.3	61.8	61.9	62.3	65.4	66.4	66.8
Unemployed	6.5	5.6	5.0	5.5	11.7	16.1	19.9	20.1	19.7	20.0	17.6	16.8	16.9
Outside the labour force	10.9	11.9	12.6	14.1	14.8	16.0	17.8	18.1	18.4	17.7	16.9	16.8	16.3
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Single-parent households of all households (%)	6.9	7.1	7.4	7.7	8.0	8.4	8.8	9.3	9.8	10.1	10.3	10.6	11.0

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	Total
Two-parent households													
Both employed	69.1	69.6	69.9	70.2	70.2	71.1	72.6	74.5	75.0	72.2	73.7	75.0	69.1
Man employed, woman unemployed	6.2	5.7	5.1	5.2	5.1	0.0	4.3	3.8	3.5	4.4	4.0	3.8	5.4
Man employed, woman outside the labour force	13.3	13.0	13.2	13.0	13.4	13.4	13.3	12.8	11.5	10.7	11.0	10.6	13.0
Man unemployed, woman employed	3.1	3.6	3.7	3.6	3.3	3.1	2.7	2.3	3.2	4.9	3.7	3.2	4.0
Both unemployed	1.2	1.2	1.0	1.0	0.9	0.8	0.7	0.5	0.6	0.9	0.8	0.7	1.2
Man unemployed, woman outside the labour force	1.4	1.5	1.5	1.5	1.5		1.1	1.0	1.1	1.6	1.3	1.3	1.6
Man outside the labour force, woman employed		3.3	3.4	3.4	3.3	3.3	3.3	3.2	3.0	3.2	3.4	3.3	3.5
Man outside the labour force, woman unemployed	0.8	0.7	0.6	0.5	0.6	0.5	0.4	0.5	0.4	0.5	0.4	0.4	0.6
Both outside the labour force	1.5	1.4	1.7	1.6	1.6	1.5	1.7	1.5	1.5	1.6	1.6	1.5	1.5
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.	100.0	100.0	100.0
Single-parent households													
Employed	68.7	68.5	69.0	68.3	69.4	69.9	70.9	73.3	74.0	69.4	70.8	71.7	69.9
Unemployed	15.3	15.4	13.9	14.6	14.0	13.1	11.8	10.0	10.1	13.5	12.4	11.1	13.7
Outside the labour force	16.0	16.2	17.1	17.1	16.6	16.9	17.3	16.8	15.9	17.2	16.7	17.2	16.3
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Single-parent households of all households (%)	11.1	11.1	11.4	11.6	11.5	11.6	11.6	11.6	11.6	11.5	11.6	11.6	10.0