PRIVATE CHOICES, PUBLIC COSTS

HOW FAILING FAMILIES COST US ALL

IMFC INSTITUTE OF MARRIAGE AND FAMILY CANADA

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The Institute of Marriage and Family Canada (IMFC) was founded in 2005 and exists to conduct, compile and present the latest and most accurate research to ensure that marriage and family-friendly policy are foremost in the minds of Canada's decision makers.

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EXECUTIVE SUMMARY

This report measures the cost of family breakdown to the public purse in Canada for the fiscal year 2005-2006. It estimates the funding directed at poverty alleviation due to family breakdown.

The results show the cost of serving broken families is almost $7 billion annually. If we were able to cut family breakdown in half, we would save $1.78 billion annually. $1.78 billion is not half of $7 billion because we assume that if 50 per cent fewer families were broken, about 50 per cent of those would still remain in poverty. These are very conservative estimates, based upon very realistic measures of what could result if family stability were to improve.

Included in this calculation are means-tested provincial programs geared toward alleviating poverty; programs that fall under housing, child care and welfare. We estimate the savings that could be realized if family breakdown were to decrease by half by calculating the subsequent decrease in government transfers. We have chosen to be conservative in our estimate by excluding associated justice and education costs, which include, for example, the existence of family courts and agencies that enforce child support payments.

This report also highlights the extent to which family breakdown has contributed to the feminization of poverty and the fact that family structure matters in the long term fight against poverty, in particular child poverty. If we are serious about reducing poverty, valuable short term solutions, like food banks and shelters, must partner with long term solutions, which include examining family structure and eradicating family breakdown.

A substantive body of research shows that children fare best when raised in a married, two-parent family home. Research also shows that family breakdown is linked to poverty. Where families fail, governments step up to the plate to act as a kind of replacement family. This should not be viewed as the ideal.

Clearly, the greatest harm done by family breakdown lies in personal suffering. However, there is a financial element to divorce and non-marital childbearing. This report estimates the fiscal cost to the public purse. Our hope is that increased information will encourage Canadians to make healthy family choices, and governments to nurture strong families through improved public policy.

INTRODUCTION

This report is about the link between family breakdown and government spending. While some family breakdown is unavoidable in any society, were current rates to decrease, so too would the amount of money governments spend acting as a kind of replacement family.

A century ago, even just 50 years ago, families were more likely to stick together. Divorce was not common, and while "accidents" certainly happened, out-of-wedlock childbearing was rare. Men and women who abandoned their families were pariahs, shamed for failing those who most depended upon them. The needs of families were normally met within the nuclear and extended family, and communities, religious groups and charities took care of those who fell through the cracks. Government spending, on *everything*, stood at 10 per cent of national income one hundred years ago. Today, it's roughly 42 per cent.[1]

Certainly, family breakdown is not the only or even the main reason government is growing. But as families have broken down, the lines between private and public acts have become blurred. While the ability to choose from among various family forms may appear to increase freedom, the reality is different. The disintegration of marriage and family, two central institutions of any civilization, has led to a larger, more expensive and more intrusive government.

As it turns out, the stigma previously attached to some behaviours, such as having a child out of wedlock, was more than moralistic clucking. There is a solid body of academic literature showing the decisions adults make in their personal lives do indeed have ramifications, many of them public. A solid consensus has emerged that the best place to raise children is in a married, two-parent home.[2]

Still more research suggests that family structure, specifically whether children live in a single-parent or two-parent home, is inextricably linked with poverty. Canadian researchers suggested in a 2003 study that "consistently, a change in family status from lone parenthood to any other category," such as marriage and becoming a two-parent household, or becoming a single-person household when a child moves out, "decreases the probability of moving into low income, in most cases more than halving the rate relative to those who remained single mothers."[3] Where families fail, as they so often do today, it is up to the rest of us, via government agencies and institutions, to pay for those failures.

And finally, there is evidence that the long term reliance on welfare has detrimental effects on individuals and society. Take England, for example, where decades of family breakdown and poor social policy have led to children being raised in homes where they've never seen a functioning marriage or a working adult. In 2004-2005, 132.5 billion pounds (about $232 billion Canadian) was spent on welfare; this was the largest portfolio of any government agency.[4] The sad thing is, the billions spent

to help have not. The money has not helped people get back to work or return to a more self-sufficient manner of living. In fact, analysts in England write that after joining welfare rolls, people have been forgotten. "Too many people are written off," the authors of British report on social justice write, "and remain on this benefit for a number of years."[5]

To return to Canada then, the question is this: have we written off certain kinds of families—assuming they can't do any better than remain on welfare? In turning a blind eye to some long term solutions, including the creation of a culture that supports married parents, have we turned our backs on really helping single mothers and broken homes? Ignoring the facts of family breakdown and the relationship to poverty is in practice a way of saying we don't care about poverty alleviation.

This report is specifically about the dependence created by broken homes: the reliance on social assistance that comes from not having family to fill the gap. This includes welfare, child care, health benefits and housing subsidies. These are the costs we have attempted to measure, using three different data sources, coming to a national savings of $1.78 billion annually if family breakdown in Canada were cut by half. This is a very conservative estimate, for reasons we discuss later in this paper.

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We use the term family breakdown broadly: it represents the effects of having given up on the ideal of a man and a woman marrying, raising children together and staying together to watch their grandchildren grow. Family breakdown is not just one act, such as a divorce or the break-up of a couple with children who have been co-habiting for a long time. It also includes the growing category of single mothers who have never been married or never lived with the father of their babies. As such, family breakdown involves the creation of families broken from the start.

Certainly broken families cannot magically be reunited, and in some circumstances a divorce or single parenting is the best of a range of difficult options. We are not suggesting family breakdown can be entirely eradicated. Furthermore, in this paper we don't address living arrangements where children are not involved, although work in other countries has suggested that even childless adults are happier, healthier and wealthier when they are married than when they are single, divorced or separated. In this study we focus on the increased public costs associated with lone parenting, cohabitation and divorce.

Though this is the first research of its kind in Canada, there is a significant body of international literature on the subject. Of particular interest is the research done by the Centre for Social Justice in the United Kingdom. They write "[w]e reject

the mantra that policy can or should be wholly morally neutral on the grounds that this is unworkable in practice. Although moralizing (in the pejorative and judgmental sense) is to be avoided, committed relationships are essential for the social ecology of the family, the community and the country and families which are formed on the basis of these should therefore be encouraged."[6]

We hope that future generations might be able to make well-informed choices about family, reducing not only their dependence on government but more importantly, the estrangement, emotional chaos, loneliness, instability and suffering that accompanies failing families. Discussing the facts of family breakdown compassionately is one way to reduce this sort of suffering in the future. Measuring the damage in dollars and cents doesn't diminish the emotional harms of family breakdown that don't carry a price tag. However, it is one way to reach those who blindly declare that family structure doesn't matter, thereby consigning families and how they work to the realm of consumer choice, no different from choosing butter over margarine.

Our study provides a quantitative assessment of some of the public costs of family breakdown precisely because truly helping people involves offering long term solutions. A short term fix might mean turning to welfare for support. But a long term solution must offer true stability; one unfettered by mediocre government interventions. It will involve examining how we "do family" in Canada today.

We want to give our fellow Canadians information so that they can, today and in the future, make healthy family choices, and come to terms with the public financial costs of personal choices.

THE ROLE OF FAMILY IN SOCIETY

When we think of family, we usually think "private", for instance, when considering the distinction between the public and private lives of public figures.

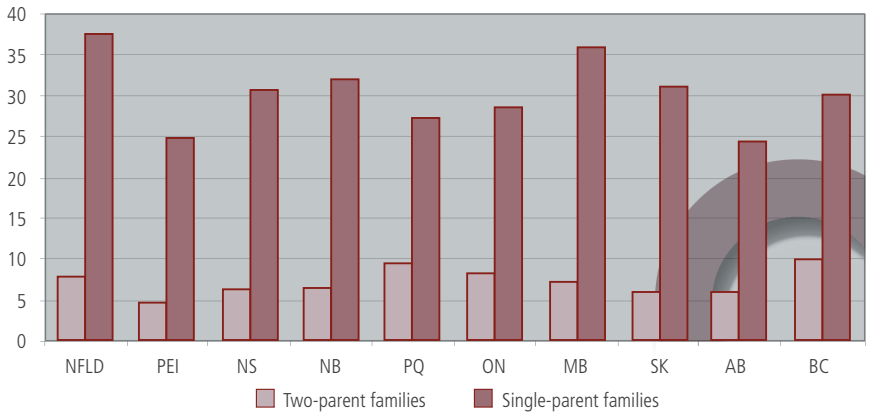
However, the family is both deeply private and unavoidably public; it holds a valued place outside the home, and is a crucial component of a thriving society. Families that work are like invisible shields: encouraging the individuals who form our communities in the public square, thereby helping them to thrive.

When families don't work, we all lose the benefit of those invisible shields. This study also aims to draw attention to the failure that turning to social assistance represents, and one long term solution: improved family structures. A 2005 report from the province of New Brunswick highlights the failure of welfare to provide in many concrete ways for families, calling welfare "a measure of last resort."[7] Figure 1 shows the percentage of families below the Low Income Cut-Off (LICO), a measure established by Statistics Canada that reflects family size and cost of living

by region. The most dramatic difference is in Saskatchewan, where single-parent families are more than five times as likely as two-parent families to fall below the LICO.[8] By contrast, in British Columbia, the risk is slightly less than three times as great for single-parent families.

An in-depth assessment of poverty in Britain published in 2006 defines family breakdown using three Ds: "dissolution, dysfunction and dad-lessness."[9] All of these factors contribute to an increased involvement with government programs, puncturing a family's privacy.

Figure 1 - Per cent of families below LICO



Source: *2006 Census* with calculations by authors

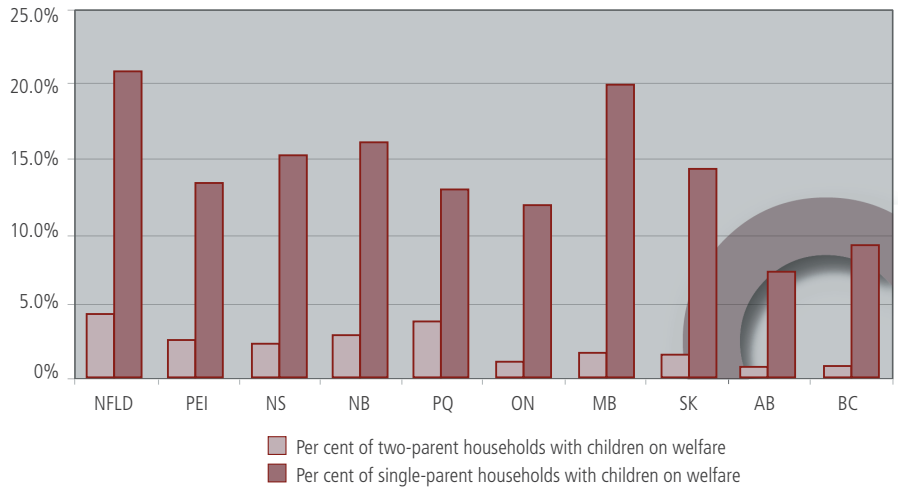
Government programs that offer assistance to poor families are not the ideal; the government is trying to compensate for a failure—the lack of any private or family support. And the results of being on social assistance can be devastating. In a 2005 report examining the situation of people on social assistance in New Brunswick, study subjects described the terrible loss of self-esteem and the feeling of helplessness from being on welfare: "[w]elfare leads to suicide, because for me, lots of times there were black holes," says one person. Another anonymous respondent goes on to say, "because you've got no way out, it's terrible (…) it leads to suicide because it's so degrading."[10]

A July 2007 report from the United Kingdom highlights the manner in which persistent attempts on the part of government to help the poor have failed. Instead, more young people are on welfare today as compared with 10 years ago—even after a 2-billion pound program dedicated to decreasing youth joblessness. The report highlights that the poverty of those living at the margins is becoming more entrenched, stating that government has conclusively failed and that the answers lie in less welfare, differently structured, not more. They also highlight how family structure is a vital part of the equation. "Committed (married) couple families with at least one working member lead to the best outcomes for both children and adults," they write, "reduce the likelihood of economic dependency on the state, and therefore benefit society as a whole."[11]

Since broken families are proportionally far more susceptible to being forced onto welfare, they are, in effect, at greater risk of needing public support. As such, broken families become quite public, and not just because they receive public funds.

We routinely hear about broken families in the media, another bit of evidence for the fact that families are public, too: "Multiple divorces increase dropout rate; Alberta Study," "Teen violence linked to broken homes; Crime rate has risen 30 per cent since 1991," and "Appeal Court sides with daughter against dad; Ruling sought after girl's parents couldn't agree".[12]

Figure 2 - Percentage of households with children on welfare by type



Source: 2006 Census and HRSDC data on welfare within each province and calculations by authors

This is not to say that intact families (or individuals) never need financial assistance from the state. Of course significant numbers of two-parent families are dependent on welfare or other direct subsidies, although the proportion is much lower than for single-parent families, and more families still of all types benefit from indirect and universal financial assistance programs. But statistics clearly show that single parents are more involved with government than stable, two-parent homes. They are on welfare in higher percentages, as shown in Figure 2. They are more likely to use public supports like assisted housing and government grants for child care. In short, broken families use public, government-funded services in higher proportions.

There *is* a financial cost to family breakdown. Quantifying this is not intended to attach a number to emotional suffering, nor is it meant to point fingers at those who have suffered through family breakdown. Simply put, providing Canadians with the facts about single parenthood, growing up without two parents, and the financial and emotional hardships that accompany family breakdown will help them understand the likely consequences of the different choices available to them in their own lives.

Specifically, our report wishes to:

- Highlight that we should all care whether families are strong because they are the bulwark behind communities, our culture and our economy.
- Explain that not all family forms equip their members equally for success; some fare better than others when it comes to social outcomes and their need for public support, and some are more susceptible to not being able to help themselves—even needing to go beyond extended family and community supports.
- Contribute to a wider appreciation by Canadians of the objectively demonstrable social, economic and personal benefits conferred by marriage.
- Inform public policy makers of the benefits of marriage and the associated costs of marital and family breakdown.

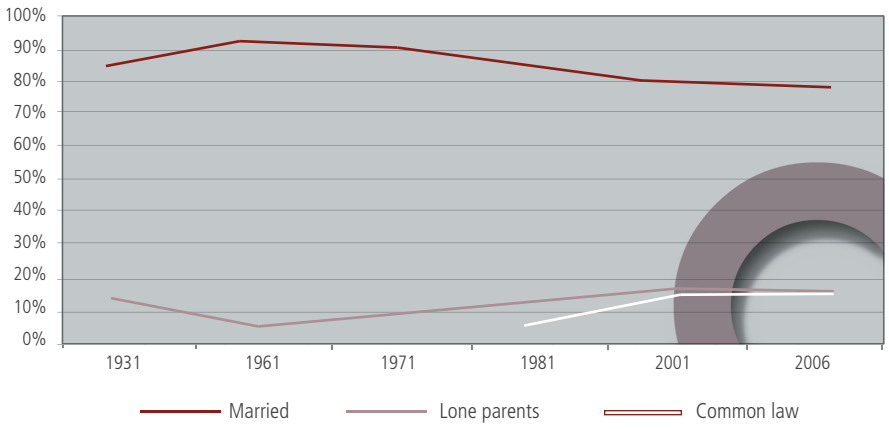
FAMILY OVERVIEW IN CANADA

Lone parenthood and living common-law are currently the family forms that are increasing in Canada, as shown in Figure 3.[13] On its face, this may seem to be a wholly neutral development. However, data shows that lone parenthood and living common-law are actually less stable family forms than two married parents.[14] Around the time that Canada's divorce laws were liberalized, it was generally assumed that what is good for the parents will be good for the kids. Empirical research shows this has not been the case. Whether couples are married or not is a remarkably accurate predictor of outcomes for children on many social science scales, even when economic factors are excluded. Children of married parents typically do better on various outcome measures—they are less likely to use drugs and less likely to drop out of school, and they become sexually active later than children in other family structures, among other things.[15] Marriage is a predictor of increased happiness and improved health outcomes for adults as well.[16] In short, family status matters, most saliently in this study for a strong economy.[17]

The skeptic may concede that divorce presents a problem, but why would living common-law matter? Two committed adults who are supportive of one another—just minus that infamous piece of paper? The reasons why common-law is problematic may be less intuitive; the fact is the data bear out this reality. Common-law couples break up more readily (which, with children present, amounts to a divorce-like scenario). Books have been written on the unpredictable and unreliable nature of common-law relationships.[18] These are, by design, relationships where two people are actively choosing not to sign up for life—the implications of a marriage certificate.

Both scenarios can result in the lone parenting situation—the total absence of one parent, usually the father. And again, here, both the United States and the United Kingdom, and arguably Canada, are witnessing the effects of fatherlessness on society. David Blankenhorn, a liberal democrat and self-described "marriage nut" in the United States, wrote his seminal work *Fatherless America* over a decade ago. In it, he asked America to "confront our most urgent social problem"—the absence of dads. The United Kingdom too, has started to take note of the detrimental effect of lone parenting for safe communities and healthy children. This is at least in part the conclusion of *Breakdown Britain*, the weighty and researched tome covering solutions for the demise of British culture and society, including families.

Figure 3 - Canada's changing families



Source: Statistics Canada

It bears repeating at every turn that indeed, children from broken homes can and do thrive—for this we can be very glad. But statistically speaking, they are at greater risk of not thriving, and concealing this would amount to further harm for future generations. As compared with both the United Kingdom and the United States, Canada comes late to the family research table. Many Canadians will continue to debate whether this question of family structure matters; it's a question that has been elsewhere conclusively resolved. The point of debate should not be whether a lack of two married parents matters for children but rather what to do with the reality that it does.

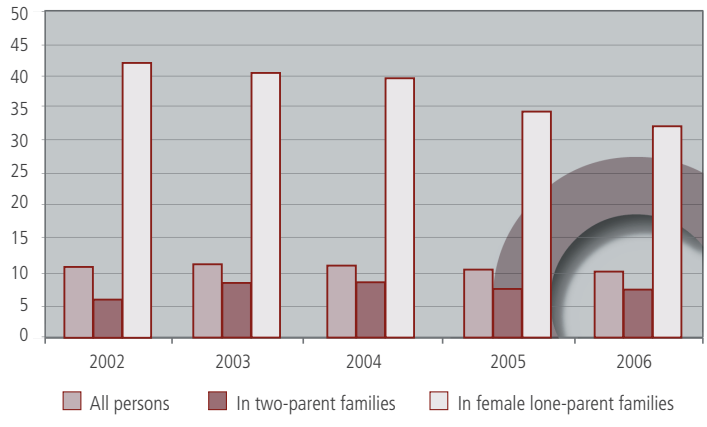
The proportion of married-parent families is unmistakably decreasing, as the number of common-law and lone-parents families increase.[19] This trend is detrimental to economic stability, in that married adults tend to participate more fully in the economy and generate increased tax revenues, and also because, when poverty increases after a family breakdown, public assistance programs bear the cost. Family breakdowns also have indirect costs to various public institutions, including the healthcare and education systems, police and the courts.

That said, while the Canadian family is changing, it is not changing uniformly across the country. In most provinces, married parents remain the norm, in spite of the rise of cohabitation and lone parenthood. The great exception in Canadian statistics is Quebec, where cohabitation is much more common. Only 54.5 per cent of Quebec families are married, where the average in the rest of Canada excluding Quebec and the territories is 72.3 per cent. Conversely, 28.8 per cent of families in Quebec live common-law, where the average for the rest of Canada excluding Quebec is 11.7 per cent. 34.6 per cent of couples live common-law in Quebec, as compared with a Canadian average, excluding Quebec, of 13.4 per cent.[20]

Statistics Canada tells us, "Regardless of the main income recipient's labour market status, children from single-parent families were much more vulnerable to low income than children from two-parent families."[21]

Figure 4 shows how high the proportion of lone parents (and their children) living in poverty is, as compared with two-parent families and the Canadian general public. Chronic poverty is linked to single parenthood.

Figure 4 - Low income Canadians by living arrangement



Source: Statistics Canada

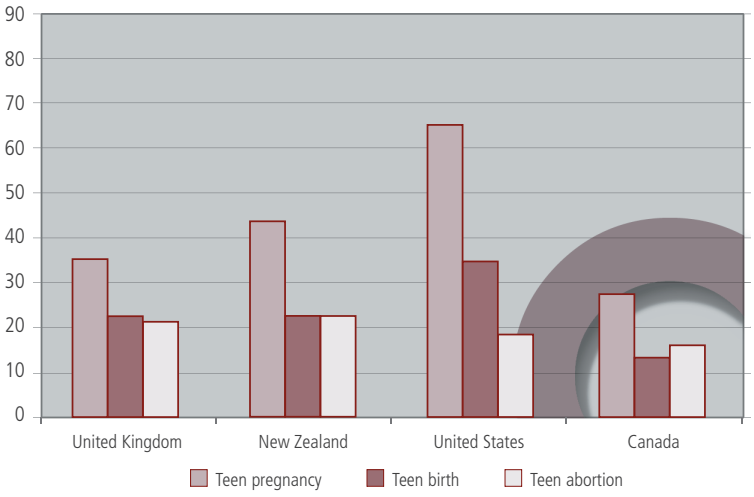
Two prominent Canadian researchers concluded in a 2003 study about movement in and out of poverty in Canada that "consistently, a change in family status from lone parenthood to any other category decreases the probability of moving into low income, in most cases more than halving the rate relative to those who remained single mothers."[22]

The links between family structure and poverty are evident in all OECD countries.

Figure 5 - Child poverty rates by family type (%)

Source: Social Policies, Family Types and Child Outcomes in Selected OECD countries[23]

Figure 6 - How Canada compared in 2002 (000s)



Source: United Kingdom, Office for National Statistics; New Zealand, Statistics New Zealand; United States, National Center for Health Statistics and Canada, McKay, A. (2006). Trends in teen pregnancy in Canada with comparisons to U.S.A. and England/Wales. *The Canadian Journal of Human Sexuality*

Figure 5 shows a selection of countries and the percentage of children in poverty by family type. In this way, Canada is no different from other western nations.

Another piece of the poverty puzzle is teen pregnancy. Teen single parents run a high risk of raising their children in poverty, and children of broken families are sexually active at an earlier age, increasing their risk of becoming teen parents in turn. Canada's teen pregnancy rates are lower than comparable OECD nations.

Figure 6 shows teen pregnancy rates in international comparison.

Another factor related to poverty is the percentage of children living in a lone parent household. Canada is at roughly the same level as other comparable nations. In Canada, one in four children lived in a lone parent household in 2006 compared with 28 per cent in the United States and 26 per cent in the United Kingdom.[24]

THE COST OF FAMILY BREAKDOWN ACROSS THE GLOBE

This study is the first Canadian research of its kind. However, similar assessments have already been done in the United States, New Zealand and the United Kingdom.

In New Zealand, a 2008 report, the joint effort of an economic and a family policy think tank, estimated the cost of family breakdown at 1 billion New Zealand dollars (about $640 million Canadian) annually. This is around 300 New Zealand dollars (about $200 Canadian) per taxpayer. This report examined the costs of family breakdown borne by social programs, tax credits, health, justice, corrections, police and housing.[25] And a 2008 report from four American family policy agencies estimated the cost of divorce and unwed childbearing at USD$112 billion annually, through increased costs from antipoverty, criminal justice and education programs.[26] The American report also included the costs associated with criminal justice and education programs and through lower taxes - adults may earn less as the result of fewer opportunities, and more long term problems, resulting from growing up in poverty.[27] The authors also calculate the savings were all family breakdown to be entirely eradicated.

Likely, the most interesting research example for Canadians is the work done in the United Kingdom. A February 2009 report from the British Relationships Foundation, a non-partisan think tank dedicated to enhancing and improving relationships for a stronger society, put the cost of family breakdown there at 37.03 billion pounds annually (about $66 billion Canadian).[28] The researchers there arrived at this figure by counting the costs of tax credits given to single parents, other lone parent benefits, the cost of housing and emergency housing benefits for lone parents, a range of associated health costs, court and justice costs and increased education costs, as well as the cost of children referred to social services because their family has broken up.[29]

	Annual cost of family breakdown to public purse	Cost of family breakdown as percentage of total government spending	Cost of family breakdown in Canadian dollars
United Kingdom	37.03 billion pounds (2009)	6.3 per cent	$66 billion
New Zealand	1 billion NZ dollars (2008)	1.8 per cent	$640 million
United States	112 billion USD (2008)	2.1 per cent	$140 billion

Sources: New Zealand: Family First and NZIER; United States: Georgia Family Council and Institute for American Values and the United Kingdom: Relationships Foundation

Another report by the London-based Centre for Social Justice measured the cost of family breakdown in the United Kingdom at 20 billion pounds annually, or $35.4 billion Canadian "a significant proportion of which is paid in benefits to lone parents."[30] The report went on to note: "If there were less family breakdown and lone parenthood, there would be fewer children taken into care, less homelessness, less drug addiction, less crime, less demand on the health services, less need for remedial teaching in schools, better average educational performance and less unemployment… All of these would save the taxpayer money and some would contribute to better economic performance in the country as a whole."[31]

The Centre for Social Justice has done substantive research and polling, concluding that family breakdown is a major pathway to poverty, alongside educational failure, economic dependency and unemployment, serious personal indebtedness and addiction. They give the good news first: child poverty in the United Kingdom has decreased in the last ten years, and "the proportion of couple parents living in poverty has fallen from 25 per cent to 20 per cent."[32]

They go on to write, however, that alongside these positive developments the poverty rate for lone parents remained "virtually unchanged," noting that "48 per cent of lone parents live in poverty compared to 23 per cent of single males or single females, the next highest risk categories."[33]

The international costs of family breakdown can't be directly compared as the methodologies vary. Neither can these numbers be directly compared to our own. However, the growing body of literature on this topic acknowledges the very real costs associated with family breakdown.

METHODOLOGY - SUMMARY

This study aims to estimate the amount of money Canadian governments, and thus taxpayers, would save if family breakdown in Canada decreased. We are not arguing that finances are the only reason why we should reduce family breakdown, or even the most important one. Clearly, the greatest harm done by family breakdown is the personal suffering, instability and deterioration of strong families and networks that result. But there is a financial element to divorce and non-marital childbearing and this is what we are measuring.

In a perfect world, all children would grow up with their own, married parents. But we do not live in a perfect world; there are marriages and relationships so destructive that a divorce or separation is the best option. For the purposes of this study, we looked at what would happen if we could achieve a serious but realistic reduction in family breakdown: if incidences of family breakdown were reduced by half.

We used a Canadian study by Finnie and Sweetman showing that moving from a single to a couple family lifts more than half of formerly poor singles out of poverty.[34] After looking at all the programs used by single-parent families, we calculated the proportion of that program's spending that goes to broken families.

We look to Finnie and Sweetman's work to understand how broken homes becoming intact can affect poverty reduction and spending. Finnie and Sweetman identify that if single parents could become part of a two-parent household, poverty would fall. They calculate that of poor single parents who become part of intact families, 54.8 per cent will be lifted out of poverty. From this we make the calculation of a total reduction in spending on poverty alleviation programs of about 25 per cent. We are using these equations by Finnie and Sweetman as the basis for the estimation of savings.

For the sake of simplicity we have used one half instead of 54.8 per cent as the proportion of poor single-parent households who would be lifted out of poverty by the creation of a two-parent household.[35] By the same token, we have taken the most conservative estimate of the cost of family breakdown in every instance, excluding programs that are not primarily directed at single-parent families even though many single-parent families rely upon them, and giving equal weight to all recipients of benefits when calculating reductions even though families with children get a higher per capita amount of financial and other benefits. A single parent with three dependent children, for example, will receive more benefits than four childless singles on welfare, or than two childless couples on welfare.

We also excluded programs such as child support enforcement, shelters for abused women and children, mediation programs designed to help divorcing parents share custody harmoniously, and the foster care system, the vast majority of whose users are in broken families. We omitted these services not because they are insignificant or unrelated to family breakdown, but because accounting for their costs is difficult given the information currently available. Similarly, this study examines only the direct, financial costs of family breakdown, not the indirect costs, such as the extra healthcare, education and justice system costs, or costs other than financial, such as greater rates of depression and higher levels of stress for adults and children following a family breakdown.

We also did not consider costs which we know exist but cannot quantify accurately. This includes much of the social program spending that goes to aboriginals across Canada that has the effect of mitigating the financial consequences of family breakdown, programs for at-risk youth that are disproportionately used by children from single-parent homes, the court costs of divorce proceedings, and many more.

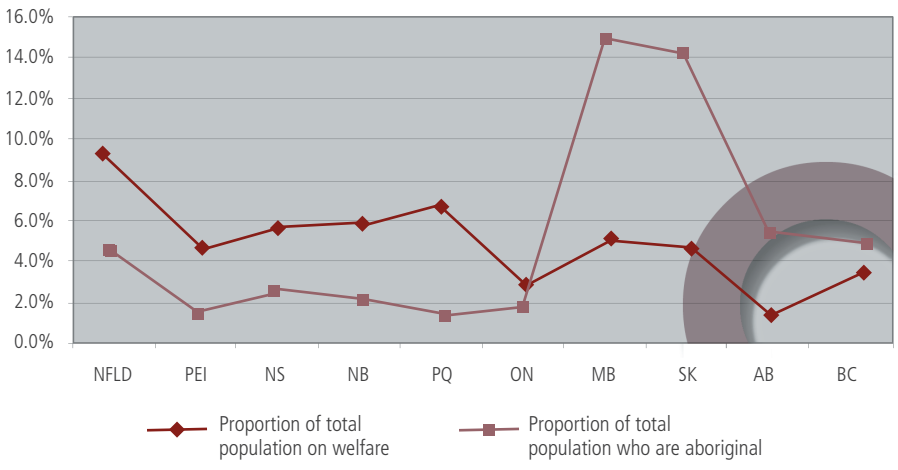
In order to focus attention on the costs of family breakdown rather than on our methodology, in all cases we have preferred to *underestimate significantly* the financial costs of family breakdown compared to what the data would have allowed. We look forward to more accurate information being collected and analysed about this crucial aspect of Canadian life, both in order to help us understand the problem more completely, and to evaluate the best strategies for reducing family breakdown.

A NOTE ON POVERTY AND CANADA'S INDIGENOUS PEOPLE

While there is overlap between a) Canadians in poverty; b) Canadians relying upon welfare and other social programs, and c) aboriginals, the extensive levels of spending devoted to lifting aboriginals out of poverty have been excluded from this study.

A number of factors compound the complexity of this issue.

Figure 7 - Poverty levels and aboriginal populations in Canada's provinces



Source: Statistics Canada, Census 2006 data with calculations by authors

First, family breakdown seems significantly higher in aboriginal communities although systematic study of this has yet to be done.[36]

Second, the factors involved in family breakdown in the aboriginal community are different from the population at large. They stem from a variety of root causes, which would warrant further study.

Third, many benefits extended to aboriginals are neither means-tested nor administered by the provinces, such as the National Insured Health Benefit (NIHB). Still, aboriginals, especially in urban areas, do rely upon housing, welfare and other social assistance programs but the information needed to isolate one category of spending (universal) from another (means-tested and linked to family status) is not available. What is clear, though, is that the connection between poverty and Canada's aboriginals is strong and tragic. Especially outside of Ontario and Quebec, those provinces in which aboriginals make up a higher

proportion of the population also have a higher proportion of their population on welfare, as illustrated in Figure 7. Any program that makes social services more effective will help aboriginals, as well as all Canadians, as will a decrease in family breakdown.

THE COST OF FAMILY BREAKDOWN IN CANADA

Nationwide, a bare minimum of close to $7 billion is spent on programs for broken families. If we could cut family breakdown in half, and if we assume that as a result of the change in family status that half of that half would be lifted out of poverty, the direct taxpayer costs of poverty alleviation for broken and single-parent families would be reduced by at least $1.78 billion dollars annually.

The table below provides the portion of programs in each category (income, housing, child care and other, usually pharmacare and medical subsidies) in each province that is devoted to adults and children in single-parent families. These numbers are based on total spending for these programs in each province, the population eligible for each program, and the proportions of the population eligible for each program in single-parent households.

Province	Income ($000)	Housing ($000)	Child care ($000)	Other ($000)	Total cost of broken families ($000)
NFLD	$119,103	$17,899	$1,290	$371	$138,663
PEI	$29,719	$4,708	$2,791	$209	$37,427
NS	$190,818	$19,548	$14,416	n/a	$224,782
NB	$91,315	$30,143	$5,207	$8,979	$135,644
PQ	$1,258,022	$137,096	n/a	$153,710	$1,548,828
ON	$1,346,113	$714,464	$299,863	$857,427	$3,217,866
MB	$92,439	$43,458	$41,602	$6,894	$184,392
SK	$215,266	$18,809	$10,295	$3,593	$247,963
AB	$169,857	$162,485	$68,666	$19,224	$420,231
BC	$126,157	$82,277	$404,626	$81,375	$694,434
Canada					**$6,850,231**

Source: provincial records and calculations by authors

PRIVATE CHOICES, PUBLIC COSTS

How failing families cost us all

Being part of an intact family protects adults and children against poverty. Subsequent to a marriage or relationship ending, women and children are significantly more likely to fall into poverty than those in intact families, even when we control for socioeconomic status. Similarly, when single parents become part of a married, two-parent household they become much less likely to remain poor than those who continue to be part of a single-parent family. They can do so either by marrying the mother or father of their children or adding a step-parent to the family, alternatively, this occurs when children turn 18 and move out.

Province	Savings to public programs ($000)	Adults in an intact family, no longer on welfare	Children in an intact family, not on welfare
NFLD	$34,665.83	1,625	2,450
PEI	$9,356.70	225	400
NS	$56,195.40	2,075	3,425
NB	$33,911.05	1,750	2,725
PQ	$387,206.95	12,550	20,200
ON	$804,466.62	17,700	29,900
MB	$46,098.12	2,525	5,175
SK	$61,990.70	1,800	3,700
AB	$105,057.77	2,600	4,900
BC	$173,608.56	4,550	7,350
Canada	$1,712,557.71	47,400	80,225

Many sociologists have developed explanations for why being part of a married couple confers economic benefits.[37] Some speculate that marriage promotes greater responsibility in both spouses, while others look at economic explanations, for instance the ability of two partners to specialize and divide the many tasks of providing and caring for a family according to their own talents and abilities. At a very, very basic level, two-parent households have two adults capable of earning a salary.

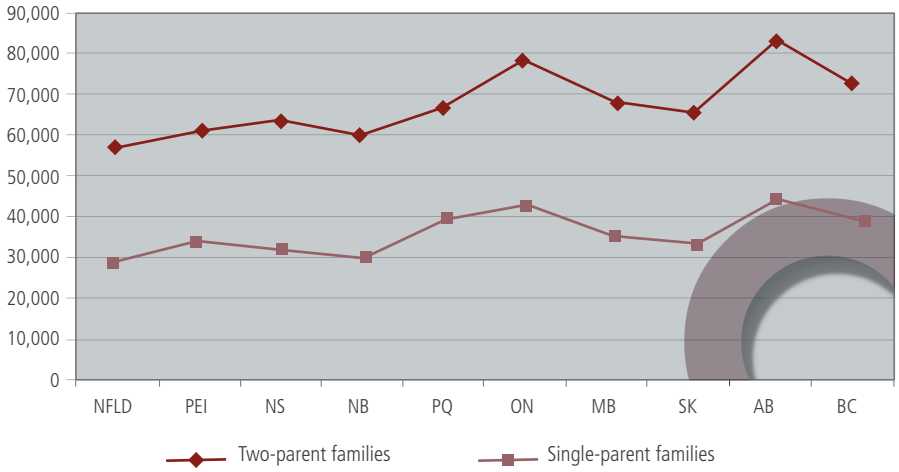
If each province saw a 50 per cent reduction in the number of broken families and if this correspondingly led to a 50 per cent reduction in the need for assistance the table above indicates the potential savings that would accrue to each provincial purse. (See the methodology section for why these percentages were used.) This chart also shows the number of adults and children who, by becoming or remaining part of a whole, functioning family, would avoid dependency on the government.

In short, a bare minimum of savings that could be accrued would be close to $2 billion annually. This means close to 50,000 adults and over 80,000 children would no longer need to be on welfare.

Of course, the reduction in suffering and trauma that would occur across the socio-economic spectrum if family breakdown were halved is of a much greater magnitude. Members of families that remain intact would be happier, healthier and wealthier, but there are also benefits that extend beyond these families.

A large part of social capital requires healthy families to flourish. Neighbourhoods in which adult male role models are scarce contribute to a culture of machismo, violence and irresponsibility for young men which harms even those children who live with both their parents.[38] Simple things, like participation in Parent Teacher Associations (or Parent Advisory Councils) and in neighbourhood associations and community causes is higher when more families are intact, in part because adults in two-parent families have the time to get involved.

Figure 8 - Median household income 2006 $



Source: Statistics Canada, Census 2006 data with calculations by authors

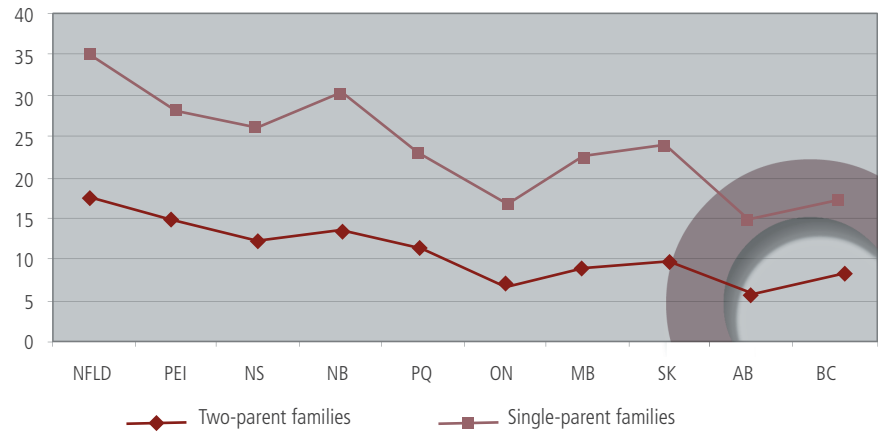
Nationally, the direct taxpayer costs of poverty alleviation for broken and single-parent families would be reduced by *at least* $1.7 billion dollars annually, if we could halve the rate of family breakdown. This may be a conservative estimate, yet it is still a consequential sum of money: this is one tenth of the annual military budget, or a tenth of the projected cost of Canada's mission in Afghanistan from its inception until 2011. $1.7 billion is also the most recent estimate of the budget for the 2010 Vancouver Olympics.

DISCUSSION

Trends in household income and poverty

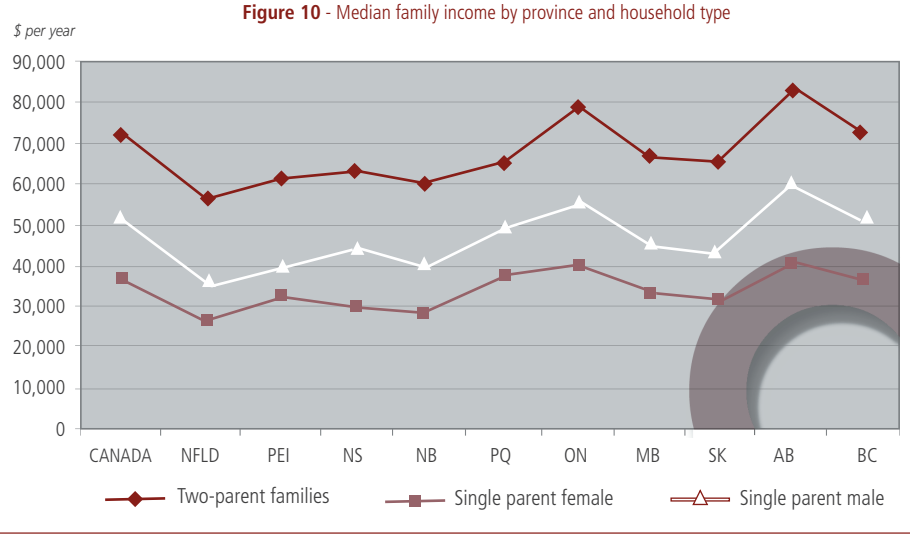
The analysis of trends in household income, the relationship between family type and dependence upon government transfers, earnings, and risks of dependence are derived from Census data from 2006.

Figure 9 - Proportion of income from government transfers (%)



Source: Statistics Canada, Census 2006 data with calculations by authors

Figure 10 - Median family income by province and household type



Source: Statistics Canada, Census 2006 data with calculations by authors

Couple households and single-parent households have significantly different levels of income, as illustrated by Figure 8. In every province, single-parent households are more likely to fall below the Low Income Cut-Off (LICO), a threshold set by Statistics Canada to reflect cost of living in different regions, as illustrated in Figure 1. Not only do single-parent households have lower incomes, they rely upon government transfers, both universal and means-tested, for a significantly higher proportion of their income than do couple households, as is shown in Figure 9.

The feminization of poverty

Examining the relationship between gender and poverty reveals that not all single-parent families are equal, in terms of their risks of falling into poverty and dependence, as per Figure 10. The median income for female single-parent homes is dramatically lower than that for male single-parent homes, which

are in turn both lower than median income for two-parent families. The highest proportion of single-mother households are below the low income cut-off. A smaller proportion of single-father households, and a much lower proportion of two-parent households find themselves below LICO. (Figure 10)

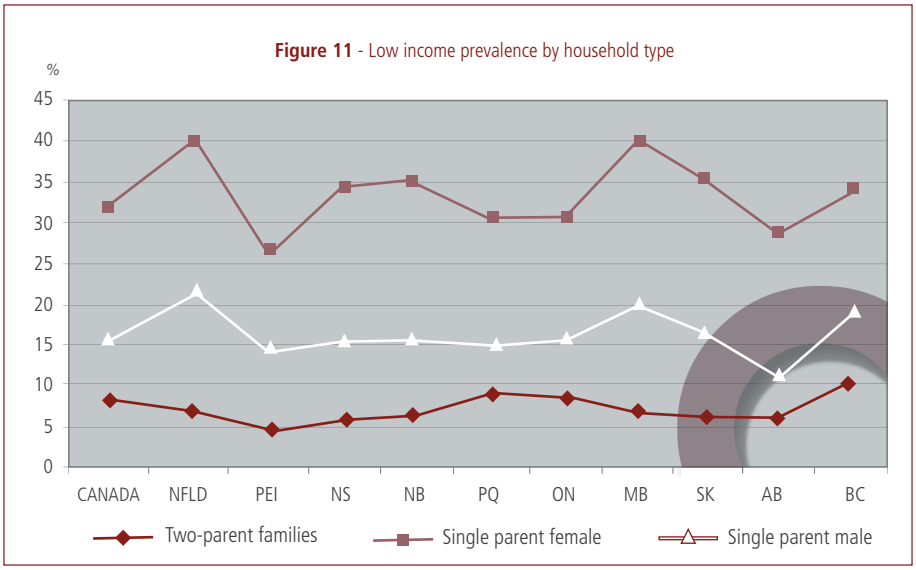


Figure 11 - Low income prevalence by household type

Source: Statistics Canada, Census 2006 data with calculations by authors

A similar relationship exists between dependence upon government transfers as a percentage of total household income. Two-parent families are the least dependent upon assistance, single-father households are more dependent, and single-mother households the most dependent. (Figure 12)

In terms of household income from earnings (as opposed to government transfers), single-father households also fare better than single-mother households. Finally, except for Atlantic Canada, single-father households derived essentially the same proportion of their incomes from earnings, as compared to from government benefits, as two-parent households. (Figure 13)

The proportion of female single-parent households is uniformly high throughout Canada. Slightly less than three quarters of households with children are headed by couples (slightly more than three quarters in Ontario and Alberta), although the proportion of couple households that are married, as compared to in a common-law relationship, varies widely. (One third of Quebec couples with children cohabit but are not married at one extreme. However, in Ontario and BC, more than nine in ten couples

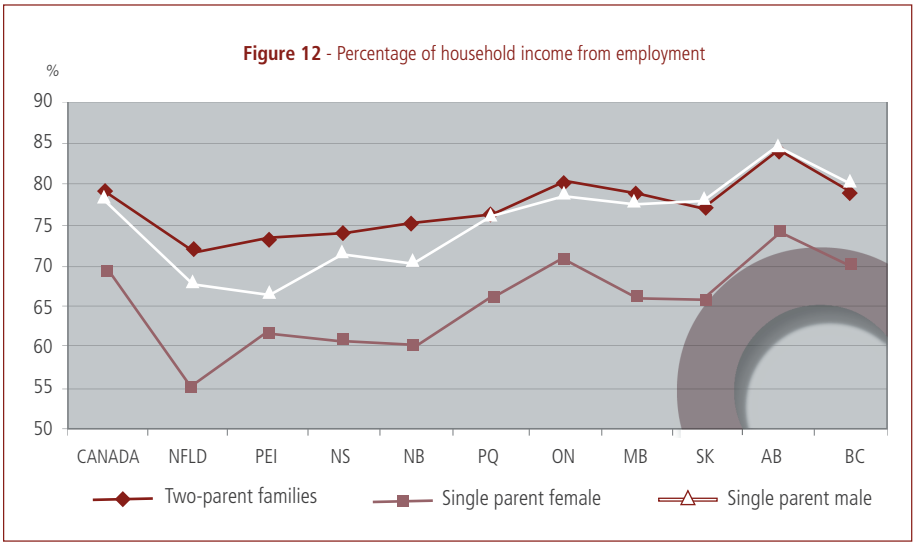


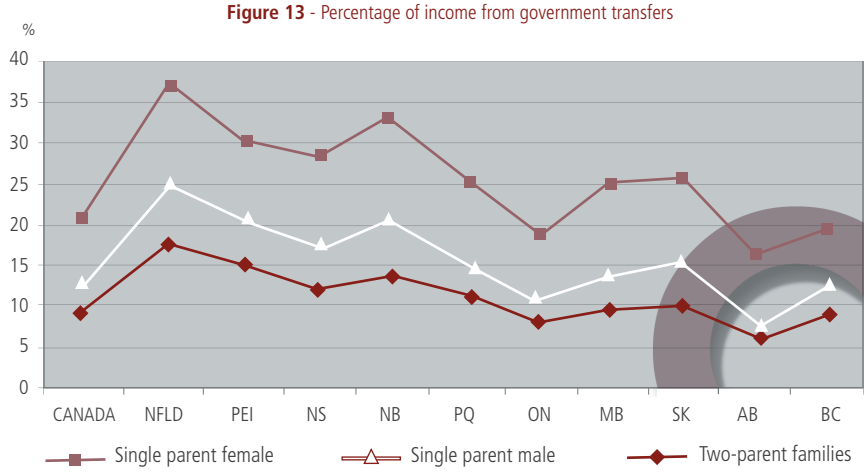
Figure 12 - Percentage of household income from employment

Source: Statistics Canada, Census 2006 data with calculations by authors

with children are married.) The proportion of single-parent families headed by a woman varies from 77.9 per cent in Quebec to 82.3 per cent in Nova Scotia and PEI, a fairly narrow range.

In short, the poverty that results from family breakdown is to a large extent a women's issue. If we are serious about improving the standard of living of women, especially mothers, we must reduce family breakdown. The pie charts in the Detailed Provincial Analysis (appendix D on page 38) illustrate the prevalence of different household types in each province, as well as in Canada as a nation.

Figure 13 - Percentage of income from government transfers



Source: Statistics Canada, Census 2006 data with calculations by authors

If adult relationships were only that, there'd be little reason to concern ourselves with various family forms. However, even more vulnerable to poverty following a family breakdown are the children involved, who must watch from the sidelines as their parents' choices transform their lives. Children in single-parent households are significantly more likely to live in poverty than their counterparts who live in two-parent households.

Everywhere in Canada, the risk of being welfare dependent is greater for single-parent households than for two-parent households.

FAQ SECTION

What about cases where divorce really is the best solution for everyone?

There are circumstances in which divorce is the least harmful option. In those cases, we should do our utmost to ensure that the children of divorce have good relationships with both parents and that social supports are available to provide where parents cannot. However, today's perpetual emphasis on making divorce easier has promoted the view that divorce is just another choice which adults can make on their own terms. An analogy may help: we put a lot of effort into curing disease. All of us recognize, however, that prevention is better than a cure and no matter how effective a treatment may be, we would all prefer not to develop any illness in the first place. Defining when divorce is truly necessary is difficult, but when that is the case, let us by all means do whatever we can to cushion the impact.

What about the costs of people staying in bad marriages?

Very few marriages are completely free of rough patches, but very few marriages are so toxic or malignant that divorce is the only answer. Whether or not leaving a marriage is the moral thing to do is a matter of private conscience, although it is worth noting that the entire western tradition sees divorce as tragic and to be avoided, when it has not been prohibited completely. That divorce has harmful effects upon children is not in dispute. Children in single-parent homes are at higher risk of poor physical and mental health, more likely to drop out of school, more likely to be abused, and less likely to have healthy relationships in adulthood themselves.[39] If as a society we were once too sparing in using divorce as an option, there is no question that today the pendulum has swung too far in the opposite direction.

You assume family breakdown causes poverty. What about poverty causing family breakdown?

It is true that the direction of causation cannot be conclusively proven, as with most social science analyses. It is a reasonable question to ask whether the stress caused by financial hardship might push borderline relationships over the brink, meaning that in some cases, poverty precipitates family breakdown, rather than the reverse.

Two factors outweigh this. First, while financial stress on a relationship may cause a break-up, the financial position of the single parent and children after a break-up will be weaker still than it was prior to the breakdown. Second, the connection between family breakdown and poverty can be seen throughout the western world, in countries prosperous and less so, in good economic times and in bad. Yes, a bad economy places stress on individuals and families, but fluctuations in the divorce rate from external factors do not change the underlying relationships between divorce and family breakdown and welfare dependence.

Why didn't you include the Territories?

For a number of reasons, this study addresses only Canada's 10 provinces, and not the three Territories. This is not because family breakdown is less of a problem in the far North; on the contrary, what information is available indicates that it is more prevalent and might take an even higher toll on families there. Good information, though, is lacking about the Territories when compared with the rest of Canada. Compounding the problem is that jurisdiction between federal and territorial governments does not map exactly onto the relationship between federal and provincial governments, making it hard to draw fair comparisons.

The population of the Territories also comprises a much higher proportion of aboriginals. The pathologies that affect tragic numbers of aboriginal families share much with family breakdown elsewhere, but also have factors unique to those populations, and separating these different strands of the problem is beyond the scope of this study.

Why didn't you include programs for aboriginals?

Many poverty alleviation programs for aboriginals are administered entirely differently from similar programs for the general population, and accurate information is lacking in this field. Some social services are provided for aboriginals entirely through Indian and Northern Affairs Canada, band governments, and other structures, while others are harmonized with the same social services offered elsewhere. Some are a hybrid of existing systems with aboriginal-specific programs.

The factors involved in poverty and family breakdown in the aboriginal community are difficult to sort out from each other. Some are the same as those found in all communities, but historical and sociological factors unique to aboriginals are both too important to downplay and so complex as to be beyond the scope of this study.

Why didn't you include the costs to the justice system? The education system? Shelters and counseling for victims of domestic violence?

These are some of the most direct costs of family breakdown. If every family were magically made intact, there would still be poor families who would need help with income, housing and child care. If family breakdown could somehow be eradicated, there would be literally no need for child support enforcement, and radically less need for foster care for children, mediation, counseling and judicial costs to facilitate divorce and custody problems. Much domestic abuse also occurs after a relationship has broken down; without suggesting that no marital abuse would happen if all couples stayed together, we can say with conviction that stable marriages are far less likely to result in physical or mental abuse, which creates the need for shelters.

Nonetheless, we didn't include them in this study because it is hard to identify which programs fall under this umbrella and how much they cost. Court costs for legal actions related to family breakdown are not calculated separately from other causes, and programs such as child support enforcement and shelters for abuse victims are funded and administered through departments of justice, family services, private charities, ministries responsible for the status of women, and many other groups.

How can you be sure your numbers are correct?

We've made every effort to be careful and consistently conservative in our estimates of the costs associated with family breakdown. The numbers are as accurate as they can be, given the constraints imposed by the information available. Not all provinces track the relevant information the same way. And in some cases, provinces don't track the information required at all, leaving us to extrapolate from what other facts we have at our disposal about families, incomes and social programs in that province.

No province accurately and consistently tracks the differences between married and common-law families, leading us to exclude this very important facet of family structure from this study when we would very much have liked to include it. Any truly comprehensive assessment of family structure, financial hardship and other outcomes must take into account the differences between legally married couples and their children and cohabiting couples and their children. Outcomes are also different for children raised with a legally married step-parent, and also for children raised with one parent and his or her cohabiting partner. Reliable information about the number of households that fit this category and their reliance upon government assistance is also lacking.

All of our numbers come from government sources, including the 2006 Census, Statistics Canada, Human Resources Social Development Canada, correspondence with provincial civil servants, examination of provincial annual reports, and other government publications. They are as accurate as the accounts provided by these bodies.

Finally, because we want this report to be taken seriously even by those who do not want to hear our message, we have chosen, in every instance, to make the most conservative estimate possible based upon the ranges of plausible values. We know the true financial cost of anti-poverty measures directed at single-parent families are higher than stated here, and that the total costs of all government programs caused by family breakdown are substantially higher still.

RECOMMENDATIONS

This report is largely focused on providing factual information to help Canadians make healthy choices in their private lives. Recommendations reflect all spheres of life—private, public, culture, government:

- Include marriage education at the high school level, so students are equipped to make major life choices with the best evidence available about what makes a stable, happy and healthy family
- Include information on the public benefits of marriage and the drawbacks of divorce in pre-marital and marital counseling
- Introduce family taxation—a system which allows couples to file taxes jointly thereby decreasing their tax burden, and gives a break to couples that build strong families, which benefit us all
- Improve the manner in which provinces account for social spending. Annual reports for ministries that provide social services should indicate what proportion of their users are married, cohabiting or single parents
- Introduce better and more accurate tracking of marriage versus common-law in statistics
- Ensure government understands the difference between marriage and cohabitation, and choose to promote marriage for all the benefits it offers over cohabition. Tax benefits/credits should not be extended to cohabiting couples, nor should private groups be prevented from recognizing the distinction between marriage and cohabitation

APPENDIX A: *METHODOLOGY - DETAILED*

Sources of information

Our estimates for the taxpayer cost of family breakdown are derived from three sources.

The first source of information is the 2006 Census: household income and its composition broken down by household type. The Census provides details about the proportion of household income for different types of household by source of income, divided into earnings from employment, government transfers, and other sources. It also provides information about the distribution of income throughout the population according to family type.

The Census further provides information about how many adults and children are living in single-parent families, childless couple families (married and common-law) and couple families with children (married and common-law). Information about income is broken down only into what is known as "couple economic families" (those headed by a couple, married or common-law, with or without children) and "non-couple economic families" (households consisting of one adult plus dependents).[40]

The second source is data compiled by Human Resources and Skills Development Canada. HRSDC maintains information about each province's income assistance programs, which go by different names and are administered differently in each province. It tracks the reasons for reliance upon income assistance too. These range from temporary unemployment due to job loss, long term difficulty in finding employment, temporary separation from the work force due to young children, and chronic unemployment due to disability. For the purposes of this study we are not addressing programs associated with disability.[41] The HRSDC numbers tell us how many people in each province who draw social assistance are adults in couples with children, adults in couples without children, single adults with children, single adults without children, children in households headed by a couple, and children in households with a single parent. These HRSDC numbers are for 2005.

Finally, provincial records are the third data source. We examined how each province provides poverty relief programs, gleaning from public accounts and annual reports, as well as through correspondence with provincial officials.[42] The most direct form of poverty relief is income assistance, which is offered in different ways across the country, sometimes as a child benefit for parents on welfare, other times as a payment based upon family size and income. Some provinces provide supplementary income assistance for those who are employed but still qualify for benefits under a means test, and all provinces make some allowance for people on social assistance to earn some money without becoming ineligible for assistance, in order to facilitate the transition to economic independence.

All provinces provide a form of housing subsidy, either through the operation of social housing, in which the province or other public authority owns and operates housing, or through rent subsidies, in which those on assistance live in eligible, privately-owned housing, and pay the rent in whole or in part with government funds.

And all provinces provide a degree of means-tested support for child care, with the exception of Quebec. (Quebec has a significant universal childcare subsidy, as a result of which parents pay only $7 per day per child.) All other provinces in Canada offer a means-tested targeted subsidy for child care, often in addition to operating grants to daycare centres, which are not means tested. Since we are concerned with the effects of poverty following family breakdown, we included only means-tested subsidies, and not flat universal subsidies for child care in our calculations of the taxpayer costs of family breakdown.

Last, almost all provinces provide assistance for children, and often adults, on income support or employed but with low income, in accessing complementary medical care, such as dentistry, vision care, and access to pharmaceuticals. We used the actual expenditures reported for each program in provincial annual reports, also for the fiscal year 2005-2006.

While we looked at poverty relief programs on a province-by-province basis, we did not distinguish between the sources of funds. Many welfare programs are exclusively funded and administered by provincial governments, but others are coordinated with and share costs with federal and municipal government. We are emphasizing how dependence upon government programs costs taxpayers money, rather than articulating exactly which level of government would realize the most savings if family breakdown and the ensuing reliance on welfare could be reduced.

Programs not included

The purpose of this study is to measure the cost imposed upon the Canadian taxpayer by family breakdown and the poverty that often results from this breakdown. Wherever possible we looked only at the direct costs of programs where the goal was poverty alleviation. Accordingly, unlike the similar American study by Benjamin Scafidi released in 2008, we did not take into consideration foregone tax income caused by family breakdown.[43]

We also did not take into consideration federally administered means-tested payments, such as GST rebates, or universal and non-means-tested programs meant to support families, such as the Universal Child Care Benefit (UCCB) initiated in 2006. With respect to housing, a number of means-tested programs are also excluded. Many provinces, for example, offer a subsidy for home renovations for households below a certain value threshold. We did not include this, in part because they presuppose home ownership, which itself indicates a degree of financial stability. For social housing, only the direct costs of providing housing are taken into consideration; long-term amortization and depreciation of housing stock is not included in the calculations, nor are most administrative costs.

Many provinces have housing subsidies for the elderly, which we are not including, because the great majority of older adults eligible for such programs do not have dependent children. Housing subsidies intended solely for native Canadians are also excluded, for reasons discussed earlier in this report.

Assistance with medical costs beyond what is covered by each province's healthcare system varies widely by province. Most provinces have provisions for vision, dental and prescription drugs subsidies for people on welfare, as well as for poor working families, and particularly children. Means-tested programs to facilitate access to medical care are included, and pro-rated for the targeted population (whether it is open to all the population below a certain income threshold, or only for children).

One entire category of government program has been omitted from our calculations, and it is one that is almost entirely devoted to mitigating the consequences of family breakdown. The foster care system, shelters for victims of domestic abuse, mediation and counseling to help children whose families have broken down, and to help former partners deal with each other civilly, and child support enforcement are offered under different names throughout Canada. These programs are the ones most directly linked to family breakdown.

Whereas programs that are meant to provide relief from poverty are open to all Canadians, and single-parent families, being more likely to live in poverty, draw upon them disproportionately, child support enforcement, subsidized custody mediation and similar programs exist only because of the widespread breakdown of the family. Yet we did not include these numbers because the funds that support such undertakings are not easily identified, since they are spread between ministries of justice, child and family services, health, and other authorities. Beyond the financial cost represented by these programs, though, they represent an attempt to heal the worst suffering caused by family breakdown. A child who cannot get glasses or new clothes for school can be helped relatively simply, through the provision of funds or services. A child who has no relationship with one parent, or who has witnessed violence and ongoing conflict between his parents, has suffered in a way that the mere transfer of money can do little to change.

This study further underestimates the true taxpayer cost of family breakdown because it is confined to programs designed to mitigate poverty. We assume, in other words, that if family breakdown were reduced it would change nothing except the levels of poverty in the households involved. In fact, we know this is not true; in every jurisdiction that has undertaken such work, members of single-parent families tend to be physically and emotionally less healthy than their counterparts in intact families, and to have worse educational and employment outcomes, greater frequency of criminal activity and drug use, and a higher chance of out-of-wedlock childbearing themselves.[44] In other words, if we could reduce family breakdown by half, we would also see substantial savings in education budgets, as rates of problem behaviour fell and academic achievement improved; in healthcare budgets, as children and teens enjoyed better mental and physical health, and were less likely to require counseling; and in the justice system, with fewer young offenders and recidivists.

We chose to leave these costs aside, not because they are inconsequential, but because we lack the information needed to derive realistic estimates, and because evaluating the taxpayer costs of poverty relief programs caused by family breakdown is itself a significant task.

As well as the costs of providing benefits to supplement income, or to subsidize housing, medical coverage and child care, there are administrative costs to these programs. Where these have been clearly identified, we have excluded them from our calculations. In some cases, there is no clear distinction made between administrative costs and the costs of benefits themselves. If the

total recipients of a program were halved, administrative costs would not necessarily decrease by half, since general overhead costs are partially fixed, so this component of spending does not properly belong in our study. Where we have not been able to exclude them due to lack of information, they remain a small enough proportion of total spending that they do not seriously undermine the cost of family breakdown through poverty relief programs, or the savings that would result if breakdown were reduced.

APPENDIX B: *ESTIMATING INCOME ASSISTANCE USING THE CENSUS*

By analysing the data from the 2006 Census, we can calculate the distribution of income in single-parent and two-parent households, as well as the fraction of household income that comes from government transfers, as compared to earnings and other sources of revenue. Household income is broken down into earnings, government transfers and other sources of revenue. Earnings includes wages from employment and self-employment. Government transfers includes a wide range of programs from means-tested income assistance, to public pensions which are based upon contributions in earlier years, to refundable tax credits. Finally, other sources of revenue includes dividends and profits from investments, as well as private pensions. We are concerned primarily with means-tested government transfers.

The absolute magnitude of government transfers per capita in single and couple households is less important, however, than the difference between these two numbers. In regions with a high baseline level of poverty, such as Newfoundland, all households get a comparatively large amount of their income from government transfers. In wealthier provinces, such as Alberta, the mean amount of transfer to single-parent households might be lower in absolute terms, but is still significantly higher than the equivalent amount of government transfer to two-parent households. The level of funding transferred to households from governments is an indicator of the relative poverty of that province compared to the rest of the country. The disparity between the mean level of transfer to two-parent family households versus single-parent households is a function of the extent to which family breakdown increases poverty in that province, and it is this number that is of greatest interest.

Nationwide, the mean amount of government transfer to a two-parent family household is $7,909, and the mean amount of government transfer to a single-parent household is $9,384, for a difference of $1,476. Newfoundland is at one extreme regarding level of dependence upon government transfers. The mean amount of income from government transfers for a single-parent family in Newfoundland is $12,669, the highest figure in the country. The equivalent number for two-parent households in Newfoundland, though, is $11,876, also the highest in the country. The difference between the two rates is $793 per household per year, which is the second smallest discrepancy to be found in the country.

This tells us that in a poor province, family breakdown increases dependency on government comparatively less so than in other provinces, because the baseline level of poverty and dependence is high to begin with. At the other end of the spectrum is Alberta, where lone-parent families receive a mean government income of $8,298, the second lowest level in Canada, while two-parent households get a mean transfer of $6,124 from the government, the lowest level of income transfers to two-parent households in the country. The difference between the levels of income from government in Alberta is $2,164, the greatest discrepancy between the two household types of any of the provinces. Despite the comparatively low level of income transfers to poor single-parent families in Alberta, the difference in dependence between single-parent families and two-parent households is greater than in the rest of the provinces.

The reduction in costs to taxpayers of providing income support to families who become poor due to family breakdown must similarly reflect the gap in dependence between single-parent and two-parent households in a province, rather than the overall level of dependence upon government transfers within the province. We estimate the savings that could be realized if family breakdown were to decrease by half by calculating the difference in government transfers that would be realized. These values were selected with an eye both to setting realistic goals and to be consistent with our bias towards the most conservative estimates of costs and potential savings.

APPENDIX C: *ESTIMATING INCOME ASSISTANCE AND OTHER PROGRAMS USING PROVINCIAL BUDGETS*

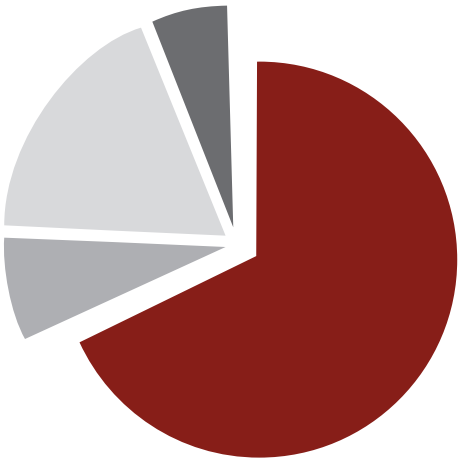
The second approach we take to calculating the taxpayer cost of family breakdown uses provincial program budgets, taking into consideration not only income assistance, but also other poverty relief programs, which we categorize as child care, housing and "other". ("Other" includes primarily subsidies for access to medical services not included in provincial healthcare plans.) Using annual reports, we identify programs that exist to relieve poverty. The major criterion for inclusion was that the programs be means-tested. Budgets provided us with the total funds spent in fiscal year 2005-2006, and sometimes the numbers are broken down to include how much funding went to single-parent households, although the great majority do not provide this level of detail.

For income, childcare, housing or other means-tested funding, we then assess whether the program is targeted at the entire population of people eligible for income assistance or on welfare; further whether the program is targeted at families with children in poverty, whether working, on income assistance, or both; or at children exclusively.

The information obtained from HRSDC shows the total number of people in each province on income assistance, and identifies them by age (adult or single) and family status (in a single or couple household). Using these numbers, we generated a multiplier to estimate the proportion of each program's spending that goes to people in single-parent families. The portion of a program that serves to fill the gap caused by family breakdown differs depending on whether the program is available to all or specific groups. For example, some programs are for all who are in poverty, regardless of their family status, others are offered to all households with children and still others are directly targeted at children. The multiplier therefore reflects the proportion of the total eligible population who are in single-parent households, so that we can determine the share of the program in question linked to family breakdown. The multipliers are conservative in that they tend to underestimate the proportion of funds that go to single-parent households. A household composed of a single parent and three children will, in the jurisdictions for which we have the most detailed information, receive significantly more in transfers from government than four single adults without children, and also more than two childless couples on welfare.

In an ideal world, all children would be raised by intact families. In reality, there are marriages and relationships so dysfunctional that breaking up may be the best of a series of poor options. To estimate savings based upon a reduction in family breakdown, therefore, we do not calculate the savings that would result if all families could be reunited and no family breakdown occurred in the future. Rather, we look at the differences that would result if family breakdown were reduced by half, a significant but achievable goal. Then, we apply the model proposed by Finnie and Sweetman, which estimates that the proportion of people lifted out of poverty by being part of a two-parent household and not a single-parent household would be halved. This gives the result of a cost of almost $7 billion annually, with a possible savings of $1.78 billion annually. Again, this is a conservative estimate.

Canada



Married with children
Common-law with children
Female single parent
Male single parent

All pie charts show Canadian households with children by type

APPENDIX D: *PROVINCIAL ANALYSIS*

Newfoundland and Labrador

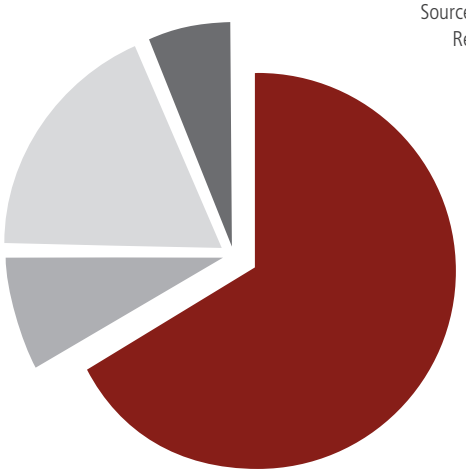
Newfoundland and Labrador offers income support through the Department of Human Resources, Labour and Employment. This includes a National Child Benefit, which is means-tested and linked to the number of dependents in the household. This benefit is delivered by the Canada Revenue Agency, and those eligible can also receive additional benefits, such as the Mother Baby Nutrition Supplement.

Newfoundland and Labrador offers housing support in partnership with the Canada Mortgage and Housing Corporation. Included in this assistance are monies spent on Non-profit Rental Housing, which is geared toward low-income earners and a small percentage of seniors at a cost of $29 million in 2005-2006. The Rent Supplement program provides subsidies for those who qualify in privately-owned housing, to complement available publicly-owned social housing. Other forms of housing assistance were not included here because they are geared toward increasing the housing supply, intended for home repair or to offset mortgage repayment.

Census and HRSDC data indicate that 21.2 per cent of single-parent families in Newfoundland and Labrador are on welfare, and that the risk of a child growing up dependent on welfare is six times greater if the child is raised in a single-parent home. In Newfoundland and Labrador, 3.5 per cent of two-parent homes with children are on welfare.

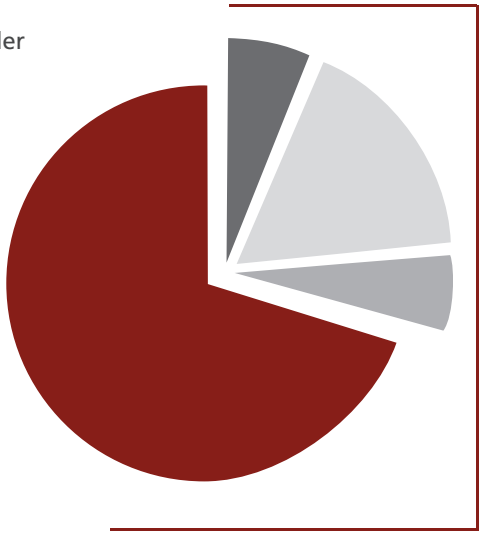
Sources: Newfoundland and Labrador Housing Corporation, Annual Report, 2005-2006. Department of Human Resources, Labour and Employment, Mother Baby Nutrition Supplement and The Newfoundland and Labrador Child Benefit (NLCB). Personal communication with government employees

Newfoundland and Labrador



Prince Edward Island

Prince Edward Island



Prince Edward Island offers social assistance and a daycare subsidy under Healthy Child Development through the Department of Health and Social Services.

Housing services are for families and seniors; the funding for seniors is included in the budget available, and we reduced our estimate of the cost of housing services for single-parent families by factoring out the proportion of such spending directed at seniors.

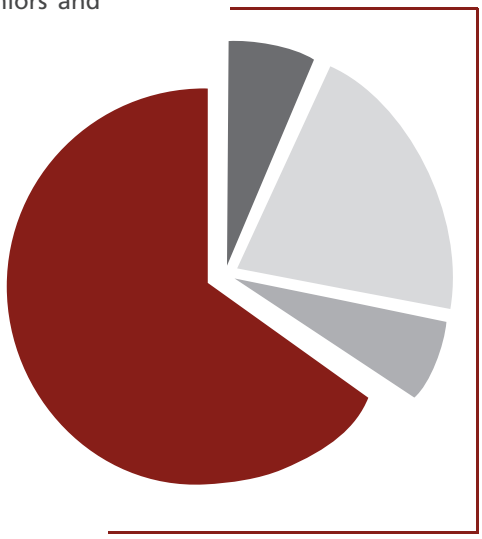
The Family Health benefit program, which exists to help low-income families with children with the cost of approved prescription drugs, is listed under Provincial Drug Programs, and was included here.

Census and HRSDC data indicate that 12.3 per cent of single-parent families in PEI are on welfare, and that the risk of a child growing up dependent on welfare is 7.3 times greater if the childis raised in a single-parent home. Only 1.7 per cent of two-parent homes with children are on welfare in Prince Edward Island.

Sources: Prince Edward Island Budget Estimates, 2005-2006. Social Services and Seniors Annual Report November 2005-March 2006. Personal communication with government employees

Nova Scotia

Nova Scotia



The Nova Scotia Department of Community Services offers income, housing and childcare support for low-income families. For this report, housing for seniors and natives and non-means-tested housing assistance were not included.

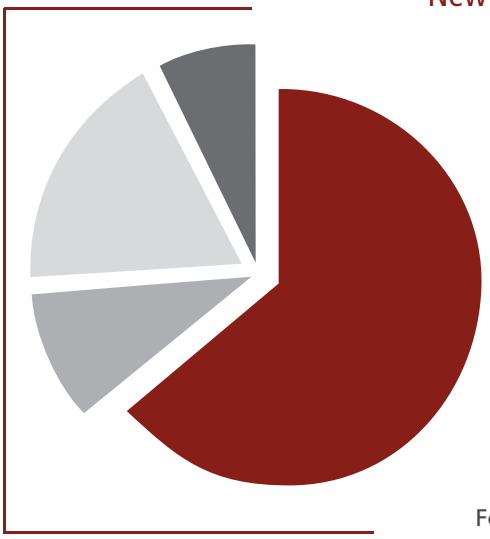
Income assistance includes the Nova Scotia Child Benefit Program and some prescription drug and health benefits.

The amount of childcare funding for low-income households in Nova Scotia is quite low, in part because a generous standard of means-tested childcare benefits exists for all parents, which changes based on the number of children. For parents with one or two children, the net income for eligibility must not be higher than $62,731; with three children it is $76,461; with four children it is $93,200 and with five children it is $108,200.

Census and HRSDC data indicate that 15.5 per cent of single-parent families in Nova Scotia are on welfare, and that the risk of a child growing up dependent on welfare is 8.7 times greater if the child is raised in a single-parent home. Only 1.8 per cent of two-parent homes with children are on welfare in Nova Scotia.

Sources: Nova Scotia Community Services: Income Eligibility & Assessed Daily Parent Fee Changes (ADPF) Nova Scotia Budget Estimates for the fiscal year 2007–2008. Personal communication with government employees

New Brunswick



New Brunswick

Various forms of income assistance in New Brunswick are offered by the Department of Family and Community Social Services. Transitional income assistance is for families and individuals "who have the potential to achieve self-sufficiency" and this funding amount is included in our calculations. Also included under income assistance are interim assistance and special needs benefits. Health services, providing basic dental and medical coverage for low-income clients, are also included.

Income assistance in New Brunswick includes a daycare subsidy. Out of 3,868 children receiving this subsidy, an overwhelming majority, 2,960, are from lone-parent households. This subsidy, which we've included in our calculations, is targeted at low-income families and includes $5,000,000 in federal funding.

For some elements of assistance, like with the health card, there is no income threshold. This type of assistance was therefore not included. Since any household can be eligible for the health card coverage, which is allotted based upon specific needs, it is not a truly means-tested benefit, although it is disproportionately used by lower-income households, since the test evaluates the financial burden of the specific medical problem relative to household finances. We did include a prenatal health benefit for low-income mothers.

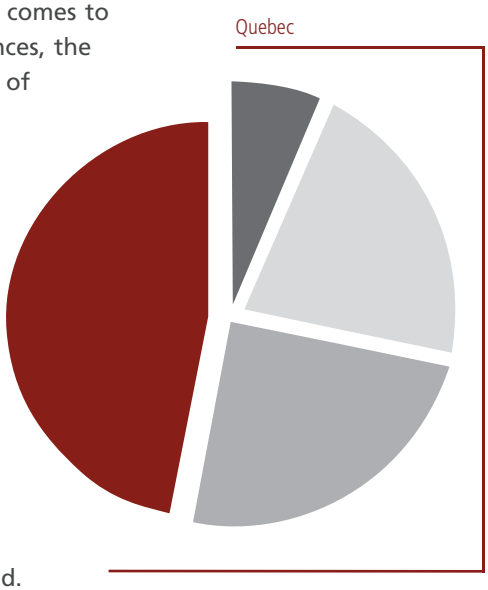
Housing services provide rental assistance and property management assistance for low-income households. Data in New Brunswick does not track the family structure of those living in social housing, or the number of people per house, but only the number of units of housing administered.

Census and HRSDC data indicate that 16.4 per cent of single-parent families in New Brunswick are on welfare, and that the risk of a child growing up dependent on welfare is 7.5 times greater if the child is raised in a single-parent home. Only 2.2 per cent of two-parent homes with children are on welfare in New Brunswick.

Sources: New Brunswick, main estimates, 2005-2006. Greater Opportunities for New Brunswick Children: An Early Childhood Development AgendaInvestments and activities 2004-2005 and 2005-2006. New Brunswick Public Accounts for the fiscal year ended 31 March 2006. Personal communication with government employees

Quebec

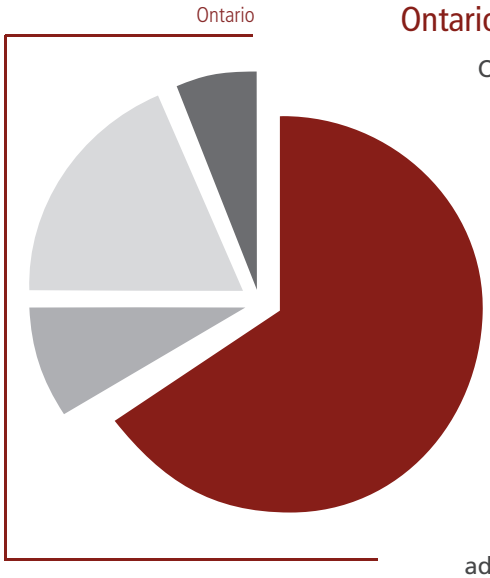
Quebec is demographically very different from the rest of Canada when it comes to family structure and dependence on government. While in all other provinces, the majority of couples with children are married, in Quebec a large proportion of two-adult households with children are cohabiting but not married. Quebec spends more money on income assistance, both in absolute terms and per capita, than any other region in Canada. Because the baseline reliance upon government transfers is so high, the proportion of welfare and other social programs going to single-parent families is lower than in many other provinces. This does not reflect either more solid families or less financial distress in single-parent families, but simply an acceptance of a far larger role for the state, both economically and otherwise, in private lives and families.



A significant number of universal programs also mean that Quebec would save comparatively little if it saw a decrease in family breakdown. Universal child care, for instance, is a phenomenally expensive program, but because it is not means-tested, there would be no appreciable difference in direct program costs even if all parents of children in Quebec were married. This is not in any way to minimize the importance of decreasing family breakdown in Quebec as everywhere else in Canada, since the harm done by family breakdown far exceeds the financial dimensions that we quantify in this study. Further, indirect savings to health, education, and justice system costs would still accrue to Quebec's public purse if Quebec's families became stronger and more stable.

Census and HRSDC data indicate that 12.5 per cent of single-parent families in Quebec are on welfare, and that the risk of a child growing up dependent on welfare is 7.5 times greater if the child is raised in a single-parent home. Only 2.4 per cent of two-parent homes with children are on welfare in Quebec.

Sources: Forget, C.E. (2002, September 23). The Quebec Experience: Lessons to be learned, IRPP Conference Toward A National Strategy on Drug Insurance: Challenges and Priorities. Annual Expenditure Management Plans of the Departments and Agencies: Budget 2005-2006 Programs administered by the Société d'habitation du Quebec, 2005-2006, Le régime général d'assurance médicaments en bref ministère



Ontario

Ontario provides income assistance through a program called Ontario Works, administered by the Ministry of Community and Social Services. The two major components are financial assistance, which includes basic needs and shelter allowances and employment assistance, which provides employment supports. There is a separate program for disability support, which is not included in this assessment. Income assistance makes up a substantial portion of Ontario's budget. As noted in the 2006 Ontario budget, a one per cent change in the Ontario Works caseload equals $16 million.

Childcare fee subsidies in Ontario are means-tested. Today, under an income test implemented January 1, 2007, "families with net income up to $20,000 are eligible for a full subsidy for child care. For families in receipt of a subsidy, the family contribution toward the cost of child care is calculated based on 10 per cent of their net income over $20,000 plus an additional 20 per cent of net income over $40,000," writes a spokesperson for the Ministry of Children and Youth Services.

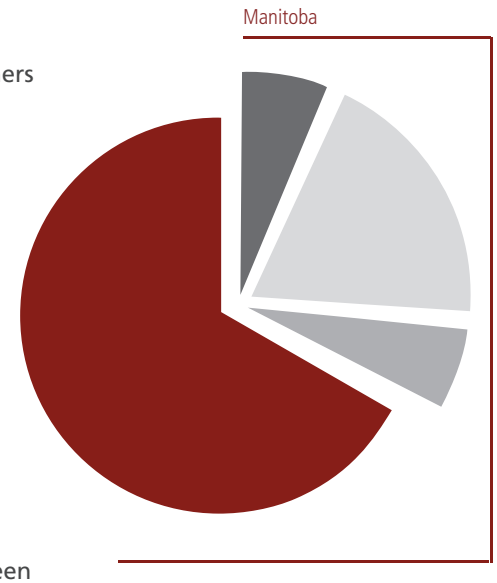
Although Best Start, an Ontario program to support moms, babies and early childhood development, is not means-tested, we included it in our assessment because it definitely does include some funding for low-income families, and it is not easy to untangle one type of funding from another. For example, the program includes The Student Nutrition Program which is part of Ontario's Poverty Reduction Strategy, a program aimed at lower-income families. Fee subsidies for child care for low-income families appear to be woven into the funding: "In 2005-06, Best Start funding was provided to municipalities in the form of an unconditional grant," write representatives of the Ministry of Children and Youth Services. "Municipalities could spend the funds on fee subsidies, special needs resourcing, wage subsidies and/or capital for child care expansion. The amount municipalities spent on fee subsidies is not available."

Various forms of housing support go to low-income families, singles and seniors. Ontario does not compile housing support statistics by family type. Because housing for seniors is included we pro-rated the total spending to include only spending to non-seniors. Administration costs are not included.

Census and HRSDC data indicate that 11.6 per cent of single-parent families in Ontario are on welfare, and that the risk of a child growing up dependent on welfare is 11.1 times greater if the child is raised in a single-parent home. Only one per cent of two-parent homes with children are on welfare in Ontario.

Sources: Ontario Budget 2006 Ministry of Children and Youth Services: About the Student Nutrition Program. Ministry of Community and Social Services, Family Responsibility Office Personal communication with government employees

Manitoba

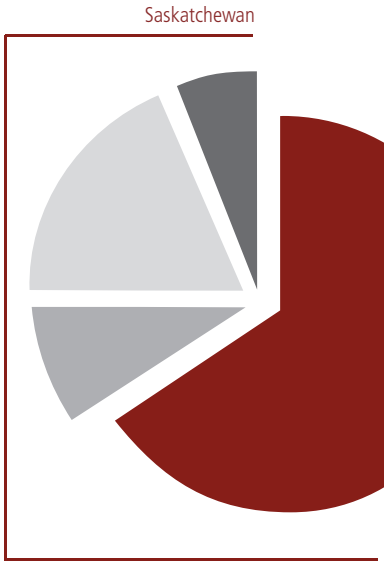


The great majority of income assistance to single-parent families (and all others in poverty in Manitoba) is through Employment and Income Assistance. Supplements are available and means-tested, as well as extra help paying for housing, for seniors, which are not included in this study, and for families with children, which are included. Manitoba provides funding to make prescriptions, glasses and eye care, and dental care accessible to families on welfare or with low incomes.

Manitoba provides an extensive system of subsidies for child care, which can be divided into universal and means-tested components. All daycare spots in licensed centres, and some in private homes, are eligible for a grant based upon the number of children cared for and their ages. This portion of the funding is independent of the financial status of the families using the childcare spot, and in order to remain eligible for a provincial grant, childcare centres are forbidden from charging more than a set amount. In 2006 this was $9.90 for a child between two and six per half day, and $18.80 for a child between two and six per full day. (It was more for younger children and less for older children in before and after school care.) The means-tested component of daycare funding is a program that provides partial or complete assistance to households that cannot afford the full rate, even after the universal grants. Based upon the number of funded spots and the levels of funding, approximately 40 per cent of childcare grants and financial assistance go directly to daycares (i.e. not means-tested), so the value attached to the benefit going to all families with children is 60 per cent of the total allocated to grants and assistance as per the annual report.

Census and HRSDC data indicate that 16 per cent of single-parent families in Manitoba are on welfare, and that the risk of a child growing up dependent on welfare is 12.9 times greater if the child is raised in a single-parent home. Only 1.2 per cent of two-parent homes with children are on welfare in Manitoba.

Source: Manitoba Family Services and Housing Annual Report 2005-2006



Saskatchewan

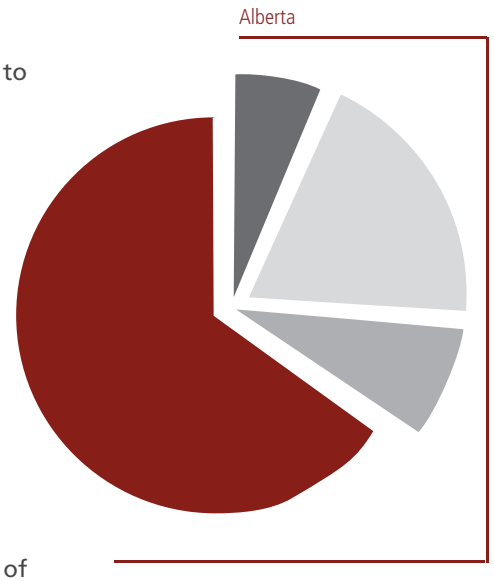
Saskatchewan provides income assistance of last resort for the unemployed as well as a supplement for the employed who are in poverty. There are two programs accessible to the general public who fall below a certain income threshold, as well as two more income supplement programs aimed specifically at families with children. Housing for all eligible residents is provided through a rent subsidy program, as well as through social housing owned and operated by the province. Neither of these are specifically targeted at families with children, although they receive a higher priority when demand for these units exceeds supply.

A health benefit to pay for medical costs not included in the public system, such as vision and dental care, is available to children in families receiving assistance. Saskatchewan, like Manitoba, provides funding for child care both through a general and universal subsidy of daycare spots that meet certain criteria, as well as through a direct subsidy to low-income parents. Unlike Manitoba, Saskatchewan provides information on how these funds are broken down, and only the means-tested aspect of daycare funding is included in this study.

Census and HRSDC data indicate that 13.9 per cent of single-parent families in Saskatchewan are on welfare, and that the risk of a child growing up dependent on welfare is 11.3 times greater if the child is raised in a single-parent home. Only 1.2 per cent of two-parent homes with children are on welfare in Saskatchewan.

Sources: Saskatchewan Community Resources and Employment Annual Report 2005-2006. Saskatchewan Housing Corporation Annual Report 2006

Alberta



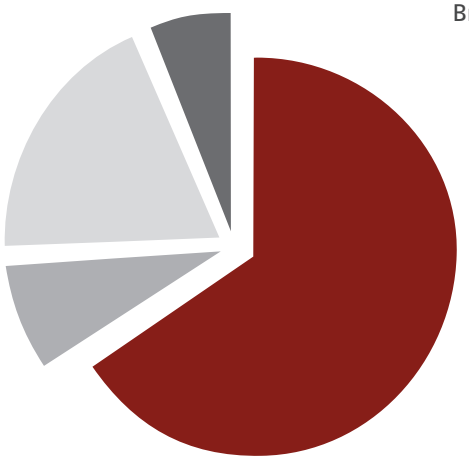
Alberta provides income assistance in four categories, for those expected to work, those who are temporarily not expected to work (often because they are caring for small children), as a supplement for the working poor, and for those not expected to work due to severe disability. This last category is not included in this study, as it is not a function of family breakdown, but the first three types of income assistance are included.

Childcare subsidies and free access to healthcare services not covered by the provincial system are also part of Alberta's social programs. All Albertans pay quarterly premiums for healthcare, which are waived for those on social assistance. These costs are included in the study. Most notable about Alberta's programs to alleviate poverty is the high level of housing subsidy that is provided and the comparatively low level of welfare. Indeed, the total for housing is only marginally smaller than the total income assistance paid by the provincial government. This is because of Alberta's explosive growth in this timeframe. In 2005-2006, Alberta experienced low unemployment (with high wages being offered for low-skill jobs) coupled with a scarcity in housing, which pushed housing prices through the roof. In this context, the relatively low rates of income assistance and high rates of housing assistance make sense, reflecting a climate in which jobs were plentiful but housing scarce.

Census and HRSDC data indicate that 7.4 per cent of single-parent families in Alberta are on welfare, and that the risk of a child growing up dependent on welfare is 15 times greater if the child is raised in a single-parent home. Only 0.5 per cent of two-parent homes with children are on welfare in Alberta.

Sources: Alberta Seniors and Community Supports Annual Report 2005-2006. Alberta Children's Services Annual Report 2005-2006. Alberta Human Resources and Employment Annual Report 2005-2006

British Columbia



British Columbia

British Columbia provides income support through temporary assistance of last resort for the unemployed, as well as through supplementary assistance that includes extended medical coverage for services not included in provincial public healthcare. Child care is a significant expense for British Columbia taxpayers, as a result of a program that, while means-tested, is intended to serve a broader segment of the population than in Alberta or Ontario. Manitoba and Saskatchewan both provide more subsidy per capita than British Columbia, but a large share of this is through universal funding of daycares rather than targeted means-tested assistance to parents. Housing subsidies and social housing of various sorts are also offered throughout the province, with different programs operating in different regions. In British Columbia, children form the smallest proportion of people on welfare in all of Canada, meaning that even where expenditures are relatively high, the potential savings resulting from a reduction in family breakdown is not as great as in other jurisdictions.

Census and HRSDC data indicate that 9.4 per cent of single-parent families in British Columbia are on welfare, and that the risk of a child growing up dependent on welfare is 16.5 times greater if the child is raised in a single-parent home. Only 0.6 per cent of two-parent homes with children are on welfare in British Columbia.

Sources: British Columbia Employment and Assistance Summary Report 2006. Ministry of Children and Family Development Annual Service Plan and Report 2005-2006. Ministry of Employment and Income Assistance Annual Service Plan and Report 2005-2006.

APPENDIX E: *CHART OF INCLUDED PROVINCIAL PROGRAMS*

Province	Program	Program type
NFLD	National child benefit reinvestment	Child care
	Rent supplement	Housing
	Non-profit rental housing	Housing
	Income Support	Income
	Child benefit	Income
	Mother-baby nutrition supplement	Other
PEI	Daycare subsidy	Child care
	Housing subsidies	Housing
	Financial assistance	Income
	Family Health benefits	Other
NS	Child care through IA	Child care
	Childcare subsidy	Child care
	Housing subsidies and services	Housing
	Income assistance	Income
NB	Daycare assistance	Child care
	Public housing properties	Housing
	Rental assistance	Housing
	Assistance with rental	Housing
	Transitional Assistance	Income
	Interim Assistance	Income
	Special Needs benefits	Income
	Health services	Other
	Prenatal care benefit	Other
PQ	Financial assistance	Income
	Housing subsidies	Housing
	Pharmacare	Other

Continues on next page

Province	Program	Program type
ON	Childcare subsidies	Child care
	Best Start	Child care/other
	Affordable Housing	Housing
	Ontario Works	Income
MB	Childcare subsidies	Child care
	Employment and Income Assistance	Income
	CRISP	Income
	MHRC	Housing
	SAFFR	Housing
	Rent supplement pgm	Housing
	Health services	Other
SK	Childcare subsidies to parents	Child care
	SAP/TEA	Income Assistance
	SES	Income Assistance
	Saskatchewan Child Benefit	Income Assistance
	Supporting families and building economic independence	Income Assistance
	SRHS	Housing
	SHC	Housing
	Family Health Benefit	Other
AB	Childcare subsidy	Child care
	People expected to work	Income
	People not expected to work	Income
	Supplement to earnings	Income
	Housing	Housing
	Alberta Child Health Benefit	Other
BC	Childcare subsidy	Child care
	Temporary Assistance	Income
	Housing and shelter supplements	Housing
	Supplementary Assistance	Other/Income

Endnotes

1 Milke, M. (2006). *A Nation of Serfs*. Mississauga: John Wiley & Sons Canada, Ltd. p. 223.

2 Amato, P. R. (1993). Children's Adjustment to Divorce: Theories, Hypotheses, and Empirical Support. *Journal of Marriage and the Family*, 55, 23-38; Blakeslee, S., Lewis, J.M., and Wallerstein, J. S. (2001). *The Unexpected Legacy of Divorce*: *A 25 Year Landmark Study*. New York: Hyperion; Blankenhorn, D. (1996). *Fatherless America.* New York: HarperCollins; Cherlin, A. J., and Furstenber, Jr., F. F. (1991). *Divided Families: What Happens to Children When Parents Part.* London: Harvard University Press; Forgatch, M. S., and Martinez Jr., Charles, R. (2002). Adjusting to Change: Linking Family Structure Transitions with Parenting and Boys' Adjustment. *Journal of Family Psychology,* 16, 107-117; Hobcraft, J., and Kernan, K.E. (1997). Parental Divorce During Childhood: Age at First Intercourse, Partnership and Parenthood. *Populations Studies,* 51, 41-55; Kelly, J. B., and Wallerstein, J. (1996). *Surviving the Breakup: How Children and Parents Cope with Divorce*. New York: Basic Books; Landsdale, C., Lindsay, P., Cherlin, A. J., and McRae, C. (1998). Effects of Parental Divorce on Mental Health Throughout the Life Course. *American Sociological Review,* 63, 239-249; McLanahan, S. S., and Sandefur, G. (1994). *Growing Up with a Single Parent: What Hurts, What Helps.* London: Harvard University Press; Parke, M. (2003). Are Married Parents Really Better for Children? What Research Says About the Effects of Family Structure on Child Well-Being. *Center for Law and Social Policy*; Teachman, J. D. (2004). The Childhood Living Arrangements of Children and the Characteristics of Their Marriages. *Journal of Family Issues*, 25, 86-111; Whitehead, B.D. (1997). *The Divorce Culture*. New York: Alfred A. Knopf; Wilson, J. Q. (2002). *The Marriage Problem: How Our Culture Has Weakened Families.* New York: Harper Collins.
For a resource offering summaries of empirical studies on marriage and family matters, see Maher, B. (Ed.) (2004). *The Family Portrait.* Washington, D.C.: Family Research Council.

3 Finnie, R. and Sweetman, A. (2003). Poverty dynamics: empirical evidence for Canada. *Canadian Journal of Economics,* 36(2), p. 306.

4 Duncan Smith, I. (Chairman). (2006, December). Breakdown Britain. Social Justice Policy Group, London:The Centre for Social Justice, p. 55.

5 Breakdown Britain, p. 56.

6 Breakdown Britain, p. 9.

7 Provencher, Y. and Bourassa, C. (2005, July). "If welfare owns you, you can't do nothing" Life on Social Assistance in New Brunswick. *Action Research Laboratory, School of Social Work,* Université de Moncton.

8 LICO measures the proportion of people whose income falls below a certain threshold based on distribution of the population. Accordingly, it doesn't measure what most of us would define as poverty, in other words scarcity in the essentials of life and very low quality of life due to lack of financial resources. It also doesn't take into account personal debt. It remains a useful comparison when looking at different parts of the country because it is a uniform and consistent standard, and it does take into account the higher costs of living in urban areas. For more on LICO see Taylor, P.S. (2007) Family poverty in Canada: Raising incomes and strengthening families. *Canadian Family Views*. Ottawa: Institute of Marriage and Family Canada, pp. 14-18.

9 Breakdown Britain, p. 9.

10 Provencher, Bourassa, p. 35.

11 Scott, D. and Brien, S. (2007, July). Economic Dependency and Worklessness. Social Justice Policy Group, Breakthrough Britain. London: The Centre for Social Justice.

12 Gerein, K. (2009, April 7). Multiple divorces increase dropout rate; Alberta Study. *The National Post,* p. A4; Berenyi, V. and Massinon, S. (2009, April 9). Teen violence linked to broken homes; Crime rate has risen 30% since 1991. *The Calgary Herald*, p. B2; White, M. (2009, April 8). Appeal court sides with daughter against dad; Ruling sought after girl's parents couldn't agree. *The Vancouver Sun*, p. B7.

13 Milan, A., Vézina, M. and Wells, C. (2006). 2006 Census: Family portrait: Continuity and change in Canadian families and households in 2006. Demography Division, Statistics Canada.

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15 See footnote two.

16 Waite, L. and Gallagher, M. (2000). *The Case for Marriage*. New York: Doubleday; Anson, O. (1989). Marital Status and Women's Health Revisited: The Importance of a Proximate Adult. *Journal of Marriage and the Family,* 51: 185-194; Goldman, N. (1993). Marriage Selection and Mortality Patterns: Inferences and Fallacies. *Demography,* 30: 189-198; Lillard, L. and Waite, L. (1995). Till Death Do Us Part: Marital Disruption and Disruption and Mortality. *American Journal of Sociology,* 100: 1131-1156; W. Bradford Wilcox, et al. (2005). *Why Marriage Matters. Twenty-Six conclusions from the social sciences*, 2nd Edition. New York: Institute for American Values, p. 2.

17 Hymowitz, K. (2006). *Marriage and Caste in America*. Chicago: Ivan R. Dee. A recent news item made this link in the context of strengthening marriages: "Looking at the big picture, secure lasting marriages are also good for the economy. Married folks are healthier, and those who are married are able to pool resources and so have more wealth and economic assets." Johnson, S. (2009, May 11). Invest in each other; Our love relationships are vital to surviving hard times, even as they are battered by economic stresses, *Ottawa Citizen*, p. A11. Please also see footnote two for further resources.

18 Hymowitz, K. *Marriage and Caste in America*; see also Jennifer Roback Morse on this topic. Her web site is www. ruthinstitute.org

19 Note the high percentage of lone parents in 1931. However, a small number of these single parents were the result of family breakdown as we experience it today. A significant number were the result of the high losses suffered by the Canadian military in WWI.

20 2006 Census: Family portrait, p. 36. With calculations by authors.

21 Fleury, D. (2008, May). Low-income children. Statistics Canada, *Perspectives*. Catalogue no. 75-001-X.

22 Finnie and Sweetman, p. 306.

23 Kamerman, S.B., Neuman, M., Waldfogel, J. and Brooks-Gunn, J. (2003, May 20). Social Policies, Family Types and Child Outcomes in Selected OECD countries. OECD Social, Employment and Migration Working Papers, Directorate for Employment, Labour and Social Affairs, p. 39. The chart actually includes 25 countries, of which we have selected these four. Please note the percentages do not add up to 100 because of the exclusion of the "other" category for family structure.

24 **For the UK:** Breakdown Britain, p. 33. F**or the United States:** Kreider, R. M., and Elliott, D.B. (Information presented at conference in 2009) The Complex Living Arrangements of Children and Their Unmarried Parents. Housing and Household Economics Statistics Division, U.S. Census Bureau. **For Canada:** Human Resources and Skills Development Canada. Canadians in Context — Households and Families. *2006 Census*. (Cat. No. 97-554-XCB2006007). Ottawa. See also Ventura, S.J. (2009, May). Changing patterns of nonmarital childbearing in the United States. National Center for Health Statistics Data Brief, no. 18.

25 Nolan, P. (2008, October). The Value of Family: Fiscal Benefits of Marriage and Reducing Family Breakdown in New Zealand. Family First, New Zealand and NZIER.

26 Scafidi, B. (2008). The Taxpayer Costs of Divorce and Unwed Childbearing. New York: Georgia Family Council and Institute for American Values.

27 Scafidi, p. 5.

28 Lynas, P., Trend, M., Ashcroft, J. (2009, February). When relationships go wrong. Cambridge: United Kingdom, Relationships Foundation.

29 When relationships go wrong, Relationships Foundation. The report indicates on page 9 that lone parents in the UK can currently claim benefits and that this will soon change. "By October 2010, only those with a child under 7 will be able automatically to claim the higher rate."

30 Breakdown Britian, p. 11.

31 *Ibid.*

32 Breakdown Britain, p. 34.

33 *Ibid.*

34 Finnie and Sweetman.

35 Scafidi, B. (2008).

36 Hanselmann, C. (2001, September). Urban Aboriginal People in Western Canada: Realities and Policies. *Urban Aboriginal People Research Initiative*, Canada West Foundation.

37 Authors for further reading on this topic include David Blankenhorn, Kay Hymowitz, James Q. Wilson and Jennifer Roback Morse.

38 For sources on the risks associated with fatherlessness, see the following: Le Menestrel, S. (1999, May 1). What do fathers contribute to children's well-being? *Child Trends Research Brief*; The National Centre for Fathering, U.S. Department of Health and Human Services. (2000, June 1). A call to commitment: Fathers' involvement in their children's learning; Malanga, S. (2007, August 9). City without fathers: Behind Newark's epidemic violence are its thousands of fatherless children. *City Journal;* Carlson, M.J. (2006, February). Family structure, father involvement, and adolescent behavioral outcomes. *Journal of Marriage and Family,* 68(1): 137-154; Ellis et al. (2003). Does father absence place daughters at special risk for early sexual activity and teenage pregnancy? *Child Development* 74(3): 801-821.

39 For more on the benefits of married two-parent families for children, see footnotes two and 14.

40 Single adults are not included in this study. While the dissolution of relationships not involving children imposes emotional costs and some financial costs as well, information about the breakdown of couples without children is not available.

41 Intact and broken families can include disabled family members, and those with disabilities live in a variety of households. However, the government programs and funds devoted to helping them fall under the aegis of support for the disabled rather than simple poverty alleviation, and thus are not relevant to an assessment of the cost of family breakdown.

42 Many of these provincial officials were both prompt and very helpful providing accurate data and additional sources. We are grateful for this.

43 Further savings and economic growth would result from the increased workplace participation of adults in intact families. Demand for childcare subsidies would also shrink as parents who want to stay at home with their children would be able to, as part of a family including another earner. However, we chose to omit these factors from our calculations.

44 Strohschein, L., Roos, N., and Brownell, M. (2009). Family Structure Histories and High School Completion: Evidence from a Population-based Registry. *Canadian Journal of Sociology/Cahiers canadiens de sociologie* 34(1), pp. 83-103; Horn, W. (2006, Fall). Fatherhood, Cohabitation, and Marriage, Gender Issues, pp. 21-35. For more on the benefits of marriage to society, see footnotes two and 14.

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