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Material Hardships and Social Support among Australian Families with Children

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Abstract

Using the Longitudinal Study of Australian Children, this study examines the experiences of material hardships among Australian families with children and the role of social support in their experiences. The study sample includes 3,939 children in the B-cohort (6 years old) and 4,030 children in the K-cohort (10 years old). Cohort differences were observed in all analyses. The odds of experiencing material hardships were predicted by various factors apart from income. For both cohorts, material hardships had significant negative effects on maternal depression, which was a significant predictor of child outcomes. Even after controlling for income and other covariates, material hardships had significant negative effects on all outcomes of K-cohort children, but only on emotional functioning of B-cohort children. Social support was associated with the reduced odds of experiencing material hardships. Social support was also a significant predictor of all parental and child outcomes. However, the interaction effects showed that positive effects of such informal support were limited for families who already experienced material hardships. These findings suggest the importance of preventing material hardships in the first place. There is a significant role for public assistance in fulfilling the unmet needs of these families.

Keywords: material hardships, poverty, social support, depression, parenting, child development

Introduction

In poverty research, income is often used as a proxy for material wellbeing because people with low incomes are more likely to experience material hardships (Iceland & Bauman, 2007; Sullivan, Turner, & Danziger, 2008). Sullivan et al. (2008), for example, found that material hardships monotonically decreased across quintiles of the income distribution. However, past research found only moderate correlations between income and material hardships (e.g., Mayer & Jencks, 1989; Sullivan et al., 2008). For instance, Mayer and Jencks (1989) found that the income-to-needs ratio explained only 24 percent of the variance in material hardships. This means that, although income is an important source of cash flow, income is not a satisfactory indicator to measure material wellbeing of a family because it is influenced by factors other than income.

Definitions of poverty in the literature are generally categorised into consumption-based definitions and resource-based definitions (Ringen, 1988; Sen, 1979). Although families have resources other than earned income, income is often used in the resource-based poverty definition. Sen (1979), for example, identified two ways of identifying people in poverty. When the consumption-based or direct poverty measures are used, the poor are defined as those whose actual consumption fails to meet the conventions of minimum needs. Using the income-based or indirect poverty measures, the poor are “those who do not have the ability to meet these needs within the behavioural constraints typical of that community (Sen, 1979, p. 291)”. Sen (1979) asserted that direct measures of poverty are superior to measures based on income, because they do not require particular assumptions of consumption behaviours. As a consumption-based indicator of poverty, the measure of material hardships directly assesses “concrete instances of foregone consumption (Zilanawala & Pilkauskas, 2012, p. 815)”. It captures not only earnings, but also other sources of income like government transfers, or the ability to draw on savings or social networks, as well as

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non-cash benefits such as public housing or family child care. The direct measures of poverty also capture differing needs and demands. For example, families differ on age, size, composition, health conditions, amount of debts, or access to credit. There are also regional differences in housing costs and in the cost of living. With the same income, families experience different levels of material hardships, depending on all these various factors. Material hardship is an alternative measure that better reflects complexities of families' material wellbeing compared to the level of income.

Studies of material hardships mainly focus on low-income families or families with higher risks of poverty. In a U.S. study focusing on low income families, about 63% reported moderate or severe material hardships (Frank et al., 2010). In another U.S. study using data from the 2004 panel of the Survey of Income and Program Participation, about 43% of single mothers reported a bill-paying hardship – the most common type of hardship (Eamon & Wu, 2011). Information about the prevalence of material hardships among community samples is less commonly available. In a research paper using data from the 1998–99 Australian Bureau of Statistics Household Expenditure Survey, Bray (2001) found that due to a shortage of money, 16.1% of respondents had difficulties in paying bills on time, 4.2% had to pawn off or sell something, 2.7% went without meals, 2.2% were unable to heat their homes, and 3.5% sought assistance from welfare/community organisations. As expected, the rate of material hardships among the community sample is much lower, although these statistics are from different countries. The extent of material hardships in Australia can be also inferred from studies using different measures of economic disadvantages. It is reported that around 10% of Australian households with children were income poor in the 2000s (Whiteford & Adema, 2007) and about 17% of Australian adults experienced multiple kinds of material deprivation in 2010 (McLachlan, Gilfillan, & Gordon, 2013).

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Moderate correlations between income and material hardships indicate that factors other than income are operating in experiencing material hardships. Although families' monetary and non-monetary resources and their different needs and demands are directly relevant to material hardships, the information is not easily accessible. To prevent families from experiencing material hardships, therefore, it is beneficial to understand general characteristics of families that are likely to experience material hardships. Households that experience material hardships are characterised by not only low income, but also unemployment, reliance on income support, residence in rental housing, sole parenthood, and the presence of someone with a disability (Bray, 2001; Eamon & Wu, 2011). Younger households are also more likely to experience material hardships, because they tend to have children and are less likely to be homeowners (Mirowsky & Ross, 1999).

However, characteristics of families with material hardships may differ by country, due to differing social and economic conditions, welfare systems, other government transfers, and available social services. In a study examining poverty trends from the 1960s to 1990s among OECD countries, Kangas and Palme (2000) concluded that changes in social policy provisions were important in explaining changes in poverty profiles. For instance, they found that improvement in pension policies reduced the rates of poverty among the elderly in all countries, whereas poverty rates among families with children continued to be higher in the countries grouped as liberal welfare states (e.g., U.S.A., U.K., Canada, and Australia) than Nordic countries. Australia has pursued welfare objectives and social protection through labour market policies (e.g., wage-fixing system) rather than social programs (Harris & McDonald, 2000; Saunders & Deeming, 2011). Australian public support for families with children is made largely through means-tested and/or work-tested cash transfers that target families at risk of poverty and through limited co-funding provided for marketised child care services (Kangas & Palme, 2000; Thévenon, 2011). Given the cross-country variation in

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poverty profiles, it is important to understand the characteristics of Australian families with material hardships in order to design responsive social policies and programs to meet their needs.

Material hardships influence families and their children in various ways. According to the Family Process Model (also called Family Stress Model), material hardships negatively influence children via parental mediators. Parents who are under economic pressures (e.g., inability to pay bills) are more likely to experience marital conflicts, stress, depression, and disruptions in skillful parenting, which lead to children's adjustment problems and internalised and externalised symptoms (Conger et al., 1992; Conger et al., 2002; Gershoff, Aber, Raver, & Lennon, 2007; Mistry, Vandewater, Huston, & McLoyd, 2002). Material hardships also directly influence children. Children in households experiencing material hardships score lower on measures of wellness, and score higher on the measures of externalising and internalising symptoms than children who are from households without material hardships (Frank et al., 2010; Zilanawala & Pilkauskas, 2012). Although different measures were used, the literature on income poverty has extensively documented the negative effects of economic disadvantages on children's development (e.g., Brooks-Gunn & Duncan, 1997; Evans, 2004). Families in income poverty struggle to meet basic needs for food, clothing, heating, and shelter. Furthermore, multiple risks closely related to income poverty (e.g., environmental risks and neighbourhood safety) interfere with children's healthy development (Evans, 2004). Consequently, children from families in poverty are more likely to have low birth-weight, repeat a grade, drop out of school, and have emotional and behavioural problems (Brooks-Gunn & Duncan, 1997). Such disadvantages in childhood have long-term effects on education, income, and psychological wellbeing in adulthood (Sobolewski & Amato, 2005).

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When families face financial challenges, social support has been found to be important in their experiences of material hardships. For example, in a study of 632 former and current welfare recipients, perceived support (such as emotional, instrumental, and informational support) reduced the likelihood of experiencing material hardships (Henly, Danziger, & Offer, 2005). Social support is important for the everyday survival of low income families in that they rely on informal social networks for child care and assistance to reduce emotional strain, and often pool resources in extended households (Henly et al., 2005; Sullivan et al., 2008). However, the evidence about the stress-buffering effects of social support seems to be inconclusive. Some studies found that social support moderates the relationships between stress and outcomes for parents and children, whereas other studies did not find such interaction effects (Manuel, Martinson, Bledsoe-Mansori, & Bellamy, 2012; McConnell, Breitzkreuz, & Savage, 2011). Therefore, the current study explicitly tested the main and interaction effects of social support. Using the representative sample of Australian families with children, the current study investigated the following research questions: 1) What are the characteristics of families with material hardships?, 2) Do material hardships influence parents and their children?, and 3) Is social support important in their experiences of material hardships?

Method

Participants

This study used data from Growing Up in Australia: the Longitudinal Study of Australian Children (LSAC) (Australian Institute of Family Studies, 2011). LSAC collected data on children's physical and mental health, social, emotional, and cognitive development, parenting, education, and family environments to explore the factors that influence children's development and wellbeing. The data were collected from children, parents, child-care providers, and teachers. Starting from 2004, LSAC data collection is scheduled to be

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conducted every two years until 2018. LSAC employed a complex survey design with stratum, clustering, and weights to ensure that all geographic areas in Australia were represented, to adjust for unequal probability of selection and to reduce the possible bias due to non-response and attrition. LSAC included a nationally representative sample of Australian children who were 0 – 1 year old (B-cohort) and 4 – 5 years old (K-cohort) in 2004 (Wave 1). About 5,000 children in each cohort participated in the first wave of data collection. The current study focused on Wave 4 data while income variables were drawn from Waves 2 – 4. The study sample included 3,939 children in the B-cohort (6 years old) and 4,030 children in the K-cohort (10 years old). Details of study sample can be provided upon request.

Measures

Material hardships were measured by the experience of not meeting daily needs due to a shortage of money in the last 12 months (yes or no): not being able to pay bills on time, not being able to pay mortgage or rent on time, going without meals, not being able to cool or heat their home, pawning off items, and getting assistance from a welfare/community organisation. A dichotomous variable was created to indicate families that experienced any types of material hardships.

Child outcomes included the Pediatric Quality of Life Inventory (PedsQL) reported by parents, and literacy and numeracy rated by teachers. PedsQL included eight items on physical functioning (e.g., problems with walking, running), five items on emotional functioning (e.g., problems with feeling afraid, trouble sleeping), five items on social functioning (e.g., problems with socialising, getting teased), and five items on school functioning (e.g., problems with paying attention in class, keeping up school activities). PedsQL ranged from 0 (almost always) to 100 (never). Teachers rated children's academic capacity on nine items of reading and literacy (e.g., reads fluently, composes multi-paragraph

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texts) and ten items of numeracy (e.g., subtracts numbers, reduces fractions). Literacy and numeracy were measured using a 5-point scale and Rasch modelled.

Maternal depression was based on six items (e.g., feel hopeless, worthless in the past four weeks). Parenting measures included five items on warm parenting (e.g., display physical affection, feel close when happy or upset), four items on hostile parenting (e.g., disapprove of behaviour, feel angry when punishing), and five items on consistent parenting (e.g., make sure completes requests, punish as promised). All parenting and depression measures used a 5-point scale.

Social support was based on 15 items with a 5-point scale that measured a mother's perception on various supports available (e.g., having someone to listen, to help with chores when sick). For an income variable, the current study used average equivalised household income over three waves covering 6 years. Permanent income is known to be a better predictor of material hardships than transitory income because families may live on savings or borrow money if they experience a temporary shortage of income (Mayer & Jencks, 1989; Sullivan et al., 2008). Thus, the current study averaged incomes from Wave 2 to Wave 4 as a proxy for permanent income (families reported parental income instead of household income at Wave 1). To create equivalised income that accounts for the different family sizes, weekly household income was divided by the square root of the number of people in the household (Bradbury, 2007). Other covariates were child's age, child's sex, child's Indigenous status, main language at home, mother's age, parental partnership status, parental education, parental employment, and housing arrangement.

Data Analyses

Logistic regression analyses were conducted to identify characteristics of families with material hardships, and to investigate whether social support predicted the likelihood of experiencing material hardships. To understand the effects of material hardships and social

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support on parents and their children, linear regression analyses were conducted.

Furthermore, interaction effects were tested to examine whether social support moderated the effects of material hardships on parents and their children. For all analyses, statistical procedures specially developed for survey data in SAS 9.3 were utilised (SAS Institute Inc., 2011). To reduce possible bias due to missing values, a multiple imputation procedure with five imputed datasets was employed. Note, however, that outcome variables were not imputed.

Results

Approximately 21% of B-cohort and 20% of K-cohort families experienced material hardships. Depending on the type of hardships, the proportion of families that experienced material hardships varied from 17.6% (unable to pay bills on time) to about 1.3% (unable to heat or cool home). Among them, approximately 8.5% of families experienced multiple types of hardships. As shown in Figure 1, the percentages of families that experienced hardships gradually decreased with the increase of income. A total of 89 families at the top 20% of income distribution experienced material hardships. Out of them, 19 families experienced hardships other than bill or mortgage paying hardships. These families were characterised by major income loss or unemployment in Wave 4, sole parenthood with a big family, high number of stressful life events, or health problems of parents or children.

[Figure 1 here]

As shown in Table 1, socially and economically disadvantaged groups were more likely to experience hardships overall, although there was a cohort difference. For both cohorts, having higher income, having at least one parent with a university degree, speaking other languages at home, owning home outright, and having more social support were protective factors that decreased the odds of experiencing material hardships. All else equal, a one percent increase in income reduced material hardships by 1.04% for the B-cohort, and

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0.95% for the K-cohort. Parents with a university degree had 22% – 27% lower odds of experiencing hardships than parents without a degree. Compared to families who spoke other languages at home, families who spoke English at home had 1.55 – 1.59 times greater odds of experiencing hardships. Compared to homeowners without a mortgage, homeowners with a mortgage had 3.43 – 3.74 times greater odds of experiencing hardships, and renters had 5.38 – 6.03 times greater odds of experiencing hardships. The cohort difference was found for the effects of sole parenthood, mother's age, and parental employment. Among B-cohort families, sole parents had 1.46 times greater odds of experiencing hardships than parents with a partner. Among the K-cohort, families with at least one parent with fulltime employment had 42% lower odds of experiencing hardships, and a one year increase in the mother's age decreased the odds of experiencing hardships by 2% when other factors were equal. Logistic regression results showed that social support was important in the likelihood of experiencing material hardships. All else equal, one unit increase of social support reduced the odds of experiencing hardships by 23%. Refer to Table 1 for further details.

[Table 1 here]

For both cohorts, compared to their counterparts, mothers with hardships reported significantly higher levels of depression even after controlling for income and other variables. Mothers with hardships in the B-cohort also reported significantly higher levels of hostile parenting and lower levels of consistent parenting. Unexpectedly, however, mothers with hardships in the K-cohort reported significantly higher levels of warm parenting. See Table 2 for details.

[Table 2 here]

For both cohorts, social support was significantly associated with lower levels of depression and hostile parenting, and higher levels of warm parenting and consistent parenting. To further understand the role of social support in relation to the effects of

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hardships on parents, the interaction effects between hardships and social support were tested. Although the interaction effects were small, these showed that the positive effects of social support were relatively smaller for parents with material hardships than for parents without such hardships. See Figure 2 for details.

[Figure 2 here]

When income and other variables were taken into account, material hardships did not have significant effects on children in the B-cohort, except for emotional functioning. For the K-cohort, however, the situation was very different. Even after controlling for income and other variables, hardships had significant negative effects on all child outcomes examined. For both cohorts, social support had significant positive effects on child functioning outcomes. Mother's depression, hostile parenting and consistent parenting had significant effects on various child outcomes for both cohorts. However, the effects of warm parenting on two outcomes of K-cohort children were opposite from expectations. See Table 3 for details.

[Table 3 here]

To further understand the role of social support in relation to the effects of hardships on children, interaction effects between hardships and social support were tested. Results differed by cohort, but the interaction effects were significant for children's physical and social functioning. Although the interaction effects were small, these showed that the positive effects of social support were relatively smaller for children who are from families with material hardships than their counterparts. See Figure 3 for details.

[Figure 3 here]

Discussion

Using data from the Longitudinal Study of Australian Children (LSAC), the current study examined the characteristics of Australian families with material hardships, and the

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influences of material hardships on parents and their children. As expected, the income gradient effect was clearly observed. A one percent increase of income predicted about one percent decrease in material hardships for both cohorts. Nonetheless, not all low income families experienced material hardships. In the current study, about 59% of families at the lowest decile of the income distribution did not report material hardships. This indicates that these families may have unreported survival strategies such as informal work, in-kind transfers from family and friends, or purchasing at discount stores (Sullivan et al., 2008). Some families with higher incomes also experienced material hardships. These families had higher demands of economic resources, such as for a child's special health care needs or stressful life events.

The current study shows that not only lack of income but also various other factors contribute to the likelihood of experiencing material hardships. Families who spoke English at home were more likely to experience hardships than families who spoke other languages at home. One possible explanation for this phenomenon is the composition of immigrants in Australia. Australia has been implementing skilled migration policies since the 1970s. Skilled migrants tend to be well-educated, possess skills and knowledge on specialised areas, and have good health. Parents who spoke other languages at home were likely to be first generation immigrants, and the result might reflect unobserved heterogeneity between recent immigrant families and the rest of the study sample. Further studies are required to clearly identify reasons for these results. Even after controlling for income or employment, having a university degree was a protective factor. One possible explanation is that parents with a university degree may manage expenses and finances better, and consequently are less likely to experience material hardships than their counterparts. The likelihood of experiencing hardships seems to be related not only to the influx of resources, but also the management of resources.

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The housing arrangement was an important predictor of experiencing material hardships. In general, compared to having a mortgage or renting, owning a home outright significantly decreased the odds of experiencing material hardships, even after controlling for income and socio-economic covariates. Australia has observed increases in housing prices for decades. Consequently the household expenditure on housing have also risen (Yates, 2011). For example, between 2003 – 2004 and 2009 – 2010, the largest increase in average weekly expenditure was in housing costs (up by 55%) (Australian Bureau of Statistics, 2011). Even with comparable income, families who spend large proportions of their income on housing are more likely to experience material hardships. In Burke et al. (2007), for instance, compared to a household paying below 30% of income in rent, a household paying more than 40% of income was twice or more likely to have gone without meals, sold or pawned off possessions, or gone without adequate health care. Given the sharp rises in housing costs, it is understandable that housing costs such as rent or mortgages are a particularly important factor for the economic wellbeing of Australian families.

The effects of other demographic variables on the likelihood of experiencing hardships were mixed. Sole parenthood was a significant predictor only for the B-cohort. Given the fact that income and employment conditions were controlled, the difference was likely to come from differing demands and needs. Sole parents do not have a partner who can share responsibilities and care for their children. They need to purchase services to meet unfulfilled needs unless they have family members or friends to help them. Compared to sole parents with older children, sole parents with younger children are likely to have higher needs for paid child care. It is possible that this contributed to a higher likelihood of experiencing material hardships. Even after controlling for income and other variables, a mother's age and parental employment conditions were significant predictors of material hardships for the K-cohort. All these findings are consistent with findings from other studies (e.g., Bray, 2001;

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Eamon & Wu, 2011), but it is not clear why the effects were significant only for the K-cohort.

Material hardships had significant negative effects on some parental outcomes, and the effects differed by cohort. For both cohorts, maternal depression was significantly predicted by material hardships, even after controlling for income and other covariates. This finding is consistent with the existing literature (e.g., Conger et al., 1992; Gershoff et al., 2007). The lives of low income families are often plagued by high levels of instability and unpredictability that lead to feelings of anxiety and helplessness (Budescu & Taylor, 2013). With such challenges, parents with material hardships are more likely to develop depression. Among parents in the B-cohort, the experience of material hardships was significantly associated with increased levels of hostile parenting and with decreased levels of consistent parenting. Unexpectedly, K-cohort parents with material hardships showed significantly higher levels of warm parenting when all else was equal. It is possible that parents who experienced hardships tried to compensate by increasing their warm parenting. Further investigations are needed to clarify the relationship between material hardship and warm parenting.

The effects of hardships on children differed by cohort. Material hardships had significant negative effects on all child outcomes of the K-cohort, even after controlling for income, maternal depression, parenting, and other covariates. However, material hardships did not have significant effects on child outcomes for the B-cohort, except for its impact on emotional functioning. The cohort difference on the direct effects of material hardships might have been derived from differences in parental behaviours and the maturity of children. In the face of financial challenges, parents might have tried harder to shield younger children from reality. Children in the K-cohort (10 – 11 years old) might have been old enough to know what was happening in the family despite their parents' efforts to protect them from reality.

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Although direct effects of material hardships on B-cohort children were not significant, B-cohort children were significantly influenced by their mother's depression which was significantly predicted by material hardships. The family is one of the most important social environments for children, especially for young children. Thus, negative effects of hardships on parents are likely to be passed on to their children. According to the Family Process Model (Conger et al., 1992; Conger et al., 2002), the effects of material hardships on children are largely mediated through parental marital conflicts, stress, depression, and disruptions in skillful parenting. In the current study, depression was a parental outcome that was significantly influenced by material hardships and was a consistent predictor of all child functioning outcomes for both cohorts. Thus, it is likely that children in both cohorts were indirectly influenced by material hardships via maternal depression, as found in numerous studies (e.g., Conger et al., 1992; Gershoff et al., 2007). Jointly, material hardships seem to influence children directly and indirectly. Further investigations are required to identify reasons for the cohort difference and to test mediated paths.

Another key question in the current study was the role of social support. Even after controlling for income and other variables, social support was significantly associated with the reduced odds of experiencing material hardships. The finding is consistent with other studies that document the importance of social support for low-income families (Henly et al., 2005; Manuel et al., 2012; Sullivan et al., 2008). Social support was also a significant predictor of all parental outcomes and child functioning outcomes. However, analyses of interaction effects revealed that the positive effects of social support on various parental and child outcomes were relatively smaller for families with material hardships, although the differences were small in size. This finding is consistent with other studies that did not find the stress-buffering effect of social support (Manuel et al., 2012; McConnell et al., 2011). This does not mean that social support is unimportant in the lives of families with material

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hardships. Even with the relatively small effects, social support can be important for the everyday survival of low income families (Henly et al., 2005). The finding imply that, when families already experience material hardships, formal support (e.g., through government transfers or social services) have a bigger role to play because informal support alone cannot alleviate the negative effects of material hardships. Most importantly, it suggests the importance of preventing families from experiencing material hardships in the first place. As Layte, Whelan, Maitre, and Nolan (2001) noted, different welfare regimes achieve varying degrees of dissociating income from deprivation. When low-income families are provided with services and goods to meet their basic needs, low income does not necessarily lead to material hardships. Even when individuals experience material hardships, the effects on health and wellbeing can differ by welfare regime (Levecque, Van Rossem, De Boyser, Van de Velde, & Bracke, 2011). In other words, social policies and programs play important roles in the experience of material hardships.

High poverty rates among families with children persist in Australia (Kangas & Palme, 2000). Australia has relied on labour market policies to pursue welfare goals and has favoured means-tested programs as public support for families at risk of poverty (Saunders & Deeming, 2011). Compared to social insurance with universal coverage, means-tested benefits are less effective in combating poverty (Nelson, 2004). However, Whiteford and Adema (2007) assert that the main reason for relatively higher rates of child poverty in Australia is higher poverty rates before redistribution, and Australia has effective tax and benefit systems in reducing child poverty. Subsequently, Whiteford and Adema (2007) argue that “policy responses need to be multi-faceted and carefully tailored to the situation in each country (p. 37)”. These suggest that efforts to prevent material hardships should be made through various policies before and after taxes and transfers, and through social service provisions.

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Despite the rigorous methods employed, the current study has limitations related to data, measures, and analyses. With correlational data, the current study is limited in making causal inferences. For example, we cannot ascertain whether material hardships are an influence or a consequence. For example, material hardships may lead to depression; alternatively depression may lead to material hardships. Another limitation is reliance on self-reported measures that are vulnerable to social desirability bias. However, self-reported measures are widely used in social science research, and these are appropriate to capture information that is not easily observable (e.g., mental health). Nonetheless, there could be discrepancies between individuals' perceptions and realities. A compiled measure of material hardships was used in the current study. LSAC collected data from a representative sample of Australian families with children. Due to the small number of families who experienced material hardships other than a bill-paying hardship, different types of hardships were not analysed separately. Despite this limitation, a measure of material hardships used in the current study was found to be effective in identifying families in need. The current study with two different cohorts at different ages cannot ascertain whether the difference in findings between the two cohorts were due to cohort effects or age effects. The K-cohort at Wave 2 and the B-cohort at Wave 4 were conducted with children at the age of 6. Analyses comparing these data would have helped distinguish these effects. Unfortunately, the measure of social support was included in LSAC from Wave 3, which eliminated this possibility. Studies utilising future waves would be able to distinguish these effects.

The findings of the current study confirm the usefulness of measures of material hardships. Not all low income families experienced hardships, whereas some families with material hardships were not poor based on income. Even after controlling for income, there were remaining effects of material hardships on parents and their children. Families' material wellbeing is influenced by their needs and demands, abilities to draw on in-kind supports,

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receipt of non-cash benefits, and regional differences in costs as well as income. The measure of material hardships seems to capture some of these complexities. This means that income alone did not reflect challenges faced by these families. This does not mean, however, that income is not a valuable measure to identify families in need. Income-based measures are more readily available and less vulnerable to subjective judgements. By modelling income and material hardships together, the current study was able to better understand the effects of material wellbeing on parents and their children. The findings suggest the need to supplement measures of income poverty with other direct measures of poverty such as material hardships. In the literature, different measures have been used to identify groups most in need, such as income poverty, deprivation, material hardships, and food insecurity. The general consensus in the research community is that no single measure can represent a complete picture (Bradshaw & Finch, 2003; Short, 2005). Therefore, it is important to utilise direct measures of poverty as well as income, in order to identify and support all families in need.

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Table 1 *The Likelihood of Experiencing Material Hardships*

	B-cohort			K-cohort		
	B	SE	OR	B	SE	OR
Intercept	4.09***	0.68		4.70***	0.76	
Male	-0.07	0.09	0.94	0.07	0.09	1.07
Indigenous children	-0.18	0.25	0.84	-0.31	0.24	0.73
English at home	0.44**	0.16	1.55	0.47**	0.16	1.59
Mother's age	0.00	0.01	1.00	-0.02*	0.01	0.98
Sole parent	0.38*	0.15	1.46	0.15	0.13	1.16
Parents with a university degree	-0.25*	0.10	0.78	-0.32**	0.11	0.73
Parents with full-time work	-0.06	0.18	0.94	-0.54**	0.19	0.58
Parents with part-time work only	-0.05	0.19	0.95	-0.04	0.21	0.96
Log income	-1.04***	0.10	0.35	-0.95***	0.12	0.39
Homeowners with mortgage	1.23***	0.21	3.43	1.32***	0.19	3.74
Renters	1.68***	0.21	5.38	1.80***	0.20	6.03
Social support	-0.26***	0.05	0.77	-0.27***	0.05	0.77

Note: Reference groups are female, non-Indigenous children, speaking other languages at home, parents with a partner, parents without a university degree, parents with unemployment, and homeowners without mortgage. SE stands for standard error and OR refers to Odds Ratio. Sample size is n = 4030 for B-cohort and n = 3939 for K-cohort. * $p < .05$, ** $p < .01$, *** $p < .001$

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Table 2 *The Effects of Material Hardships on Parents*

	Depression		Warm parenting		Hostile parenting		Consistent parenting	
	B	SE	B	SE	B	SE	B	SE
B-cohort								
Log income	0.01	0.03	0.06***	0.02	0.03	0.02	0.08***	0.02
Hardships	0.26***	0.03	-0.02	0.03	0.06*	0.03	-0.07*	0.03
Social support	-0.20***	0.02	0.12***	0.01	-0.11***	0.01	0.12***	0.01
K-cohort								
Log income	-0.04	0.02	0.10***	0.02	0	0.02	0.11***	0.02
Hardships	0.19***	0.04	0.09**	0.03	0.01	0.03	-0.06	0.03
Social support	-0.22***	0.01	0.18***	0.01	-0.15***	0.01	0.13***	0.01

Note: Other covariates are omitted. SE stands for standard error. Sample sizes vary due to missing on parental outcome variables. * $p < .05$, ** $p < .01$, *** $p < .001$

Table 3 *The Effects of Material Hardships on Children*

	Physical functioning		Emotional functioning		Social functioning		School functioning		Literacy		Numeracy	
	B	SE	B	SE	B	SE	B	SE	B	SE	B	SE
B-cohort												
Log mother's depression	-14.68***	2.84	-28.22***	2.09	-17.27***	2.52	-14.46***	2.14	-0.14	0.11	-0.06	0.12
Warm parenting	0.58	0.71	-0.47	0.54	-0.68	0.60	-0.69	0.60	-0.02	0.03	-0.03	0.03
Hostile parenting	-1.16	0.59	-6.17***	0.46	-4.38***	0.54	-4.22***	0.51	0.03	0.03	0.04	0.03
Consistent parenting	3.29***	0.55	0.50	0.44	1.93***	0.53	3.11***	0.46	0.20***	0.03	0.17***	0.03
Log income	2.72***	0.70	-0.24	0.54	1.27	0.68	2.56***	0.76	0.17***	0.03	0.15***	0.03
Hardships	0.18	0.91	-1.44*	0.71	-0.95	0.81	-1.00	0.75	-0.04	0.04	-0.02	0.04
Social support	1.92***	0.45	0.92*	0.39	2.06***	0.41	1.35***	0.37	0.01	0.02	0.01	0.02
K-cohort												
Log mother's depression	-11.57***	2.92	-29.90***	2.40	-18.20***	2.84	-15.18***	2.38	-0.10	0.11	-0.20	0.12
Warm parenting	-1.07	0.72	-1.30**	0.50	-0.26	0.63	-0.46	0.51	-0.04	0.03	-0.09**	0.03
Hostile parenting	-1.93**	0.70	-7.58***	0.51	-5.20***	0.58	-3.66***	0.53	-0.08***	0.02	-0.06*	0.03

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Consistent parenting	4.23***	0.59	0.22	0.41	1.71***	0.51	3.48***	0.51	0.11***	0.02	0.12***	0.03
Log income	1.02	0.78	-0.65	0.54	1.72*	0.67	1.23	0.63	0.16***	0.03	0.14***	0.04
Hardships	-2.53**	0.92	-3.38***	0.69	-2.62**	0.87	-2.73***	0.75	-0.08*	0.04	-0.13**	0.04
Social support	1.92***	0.46	1.27***	0.34	1.94***	0.43	1.00**	0.36	-0.03	0.02	-0.04	0.02

Note: Other covariates are omitted. SE stands for standard error. Sample sizes vary due to missing on child outcome variables. * $p < .05$, ** $p < .01$,

*** $p < .001$

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Figure 1 *The Percentage of Families with Hardships by Income Distribution*

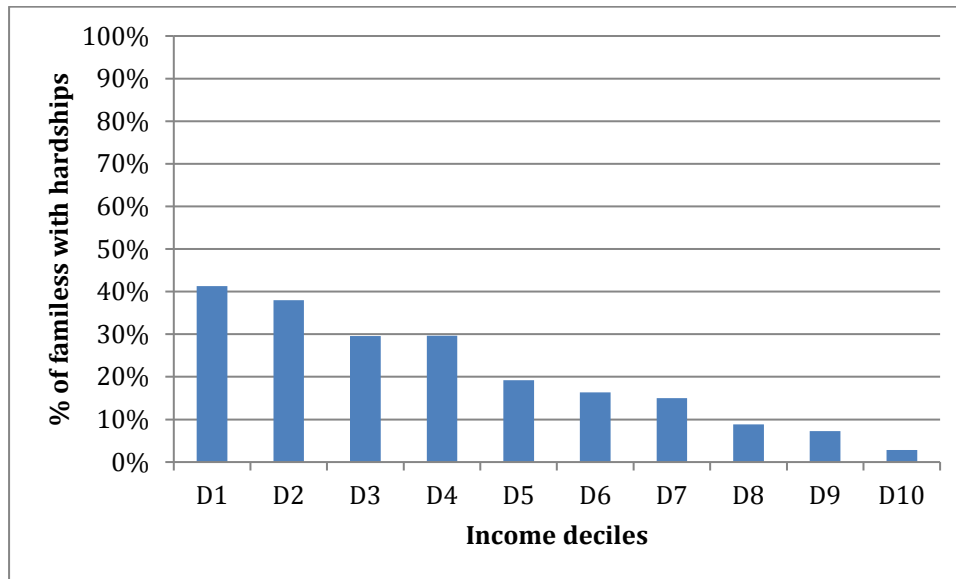
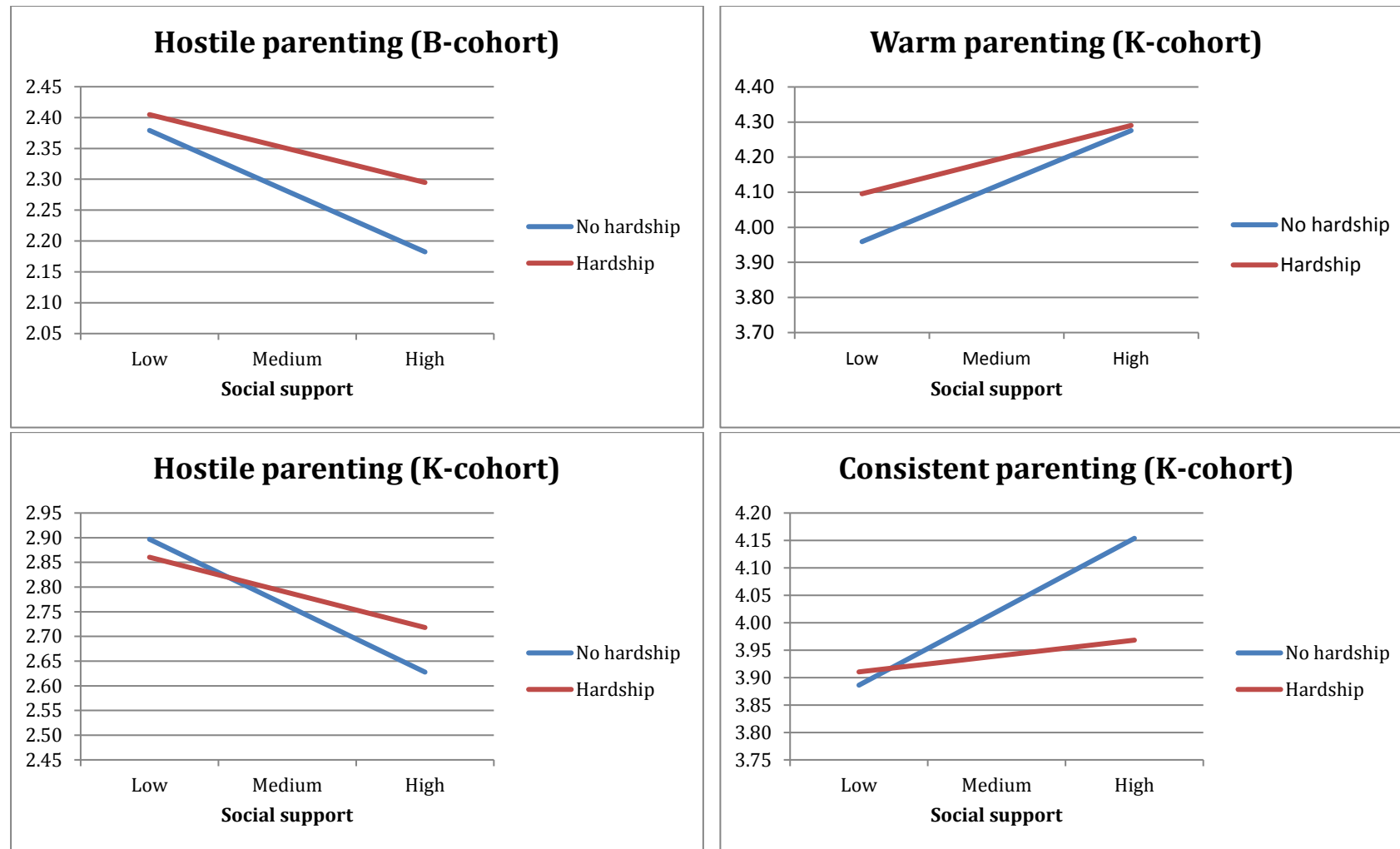


Figure 2 *The Interaction Effects between Hardships and Social Support on Parents*



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Figure 3 *The Interaction Effects between Hardships and Social Support on Children*

