



## Research Results

Value of a Parent 2009



This report will highlight the financial risk families may face if they do not have adequate protection in place. In these challenging times and with a £2.3 trillion protection gap it is important to be aware of the risks to their homes and lifestyle.

# Value of a Parent



## Our research

For nearly 30 years Legal & General has been conducting Value of a Mum research. In 2009 we have again explored the costs and time associated with families, with our Value of a Parent research.

Parents' lives are often dominated by their children's needs. It can be very challenging running a household and earning a wage to support both the children and the home. This report explores the amount of time and the monetary value of parents who raise children and manage their day to day household chores.

This guide contains key findings from our research:

- Value of a Mum and Dad
- Cost of raising children
- Parent lifestyle
- Family financial protection

# Value of a Parent research



## 2009 key findings

The time spent on household chores can often be overlooked, especially in today's busy society. Chores can be very time consuming, and if we were to pay someone else to do these chores, possibly very expensive!

<b>Value of a Parent 2009</b>	<b>Mum</b>	<b>Dad</b>
Hours per week	74 hours	53 hours
Cost per week	£631	£448
Cost per year	£32,812	£23,296

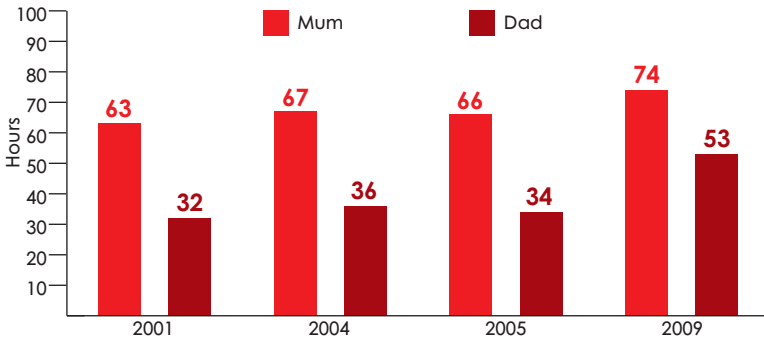
These figures are obtained using average earnings figures for household tasks, compiled from the Office of National Statistics 2008 Annual Survey of Hours and Earnings.

The time Mum spends on domestic work is 40% higher than Dad.

## Changes over the years

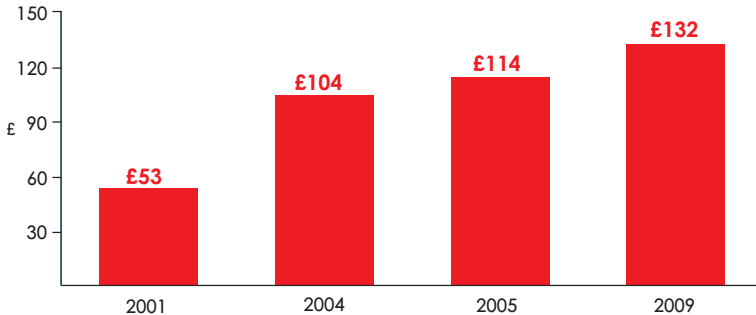
According to our research, the time that parents spend on household chores and childcare has significantly increased over the past 8 years. Men in particular have shown a huge increase from 34 hours a week in 2005 to 53 hours in 2009! Interestingly since 2001 the time gap between men and women has begun to close.

### Average weekly time spent on chores and childcare



The cost of raising children has shown a huge increase. In 2001 it only cost £53 a week to raise a child, however these days it's at £132 a week! This equates to £6,864 a year!

### Average amount spent on children each week



# The value of Mum and Dad

The value of a Mum's work is £32,812

The value of a Dad's work is £23,296

The Value of a Parent averages to £28,054. This is higher than the national average earnings of £24,538 a year.

We asked parents how much they would expect to be paid for their work inside the home. **The general consensus was that full time Mums should be paid at a salary of £265 a week for the work done.** This is significantly less than the **£631 a week** they are actually worth.

## The weekly value and time spent on household tasks

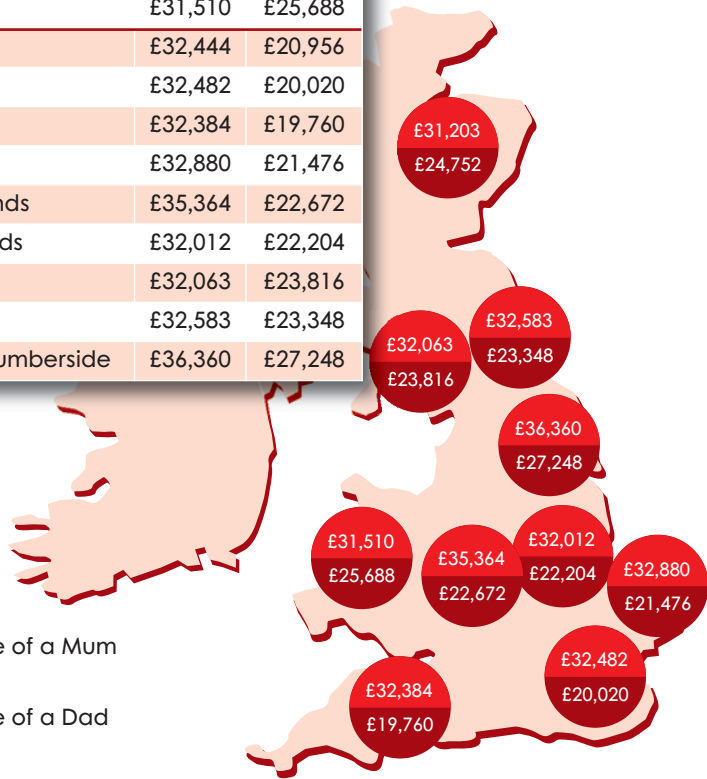
Task	Hours per week		Weekly cost	
	Mum	Dad	Mum	Dad
Cook	8	6	£74	£54
Cleaner	12	7.5	£90	£56
Housekeeper	13	9.5	£103	£75
Childcare	33	21.5	£294	£193
Driver	3	3	£28	£23
Gardener	1	2	£11	£17
Other	4	3.5	£31	£30
<b>Total</b>	<b>74</b>	<b>53</b>	<b>£631</b>	<b>£448</b>

These figures are obtained using average earnings figures for household tasks, compiled from the Office of National Statistics 2008 Annual Survey of Hours and Earnings.

## Value of a Parent by region

Across the UK men and women split the share of household chores and caring for the family in very different ways. For example in the south Dads work in the home much less than Mums, yet in the north Dads seem to help more. However in all regions Mums do more than Dads overall.

	Mum	Dad
<b>Great Britain</b>	<b>£32,812</b>	<b>£23,296</b>
England	£33,280	£22,360
Scotland	£31,203	£24,752
Wales	£31,510	£25,688
London	£32,444	£20,956
South East	£32,482	£20,020
South West	£32,384	£19,760
East Anglia	£32,880	£21,476
West Midlands	£35,364	£22,672
East Midlands	£32,012	£22,204
North West	£32,063	£23,816
North East	£32,583	£23,348
Yorkshire/Humberside	£36,360	£27,248



- Value of a Mum
- Value of a Dad

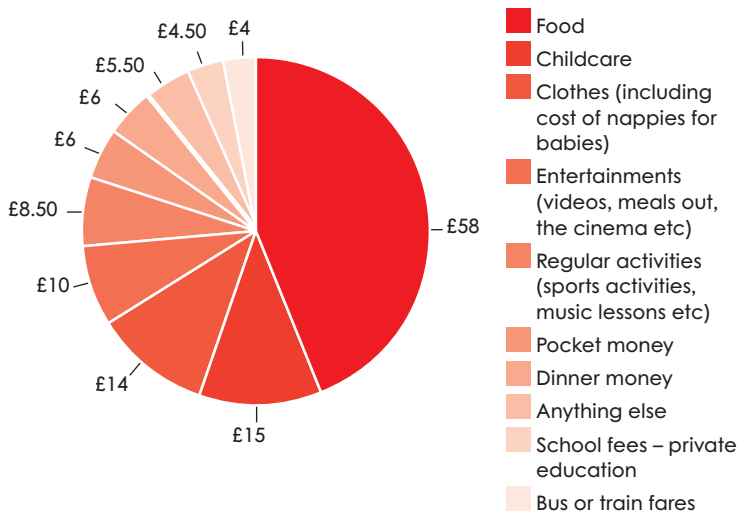
# The cost of raising children

## Raising a family is an expensive business

It depends a great deal on the age and number of children as well as the household income. The average spent on children and day to day costs each week is **£132**.

Over 18 years that means parents on average spend **£123,552** raising children.

### The average cost of raising children each week

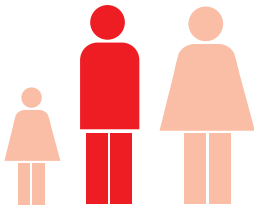


**Total average £132**

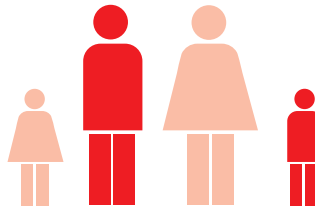


## Growing costs with growing families

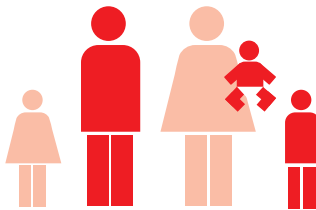
Families with just one child spend **£110** a week on average, two children pushes the cost up to **£141**, three cost **£177** and each child after that costs **£54** on average a week. Overall, food is the biggest single item of expenditure.



**£110**



**£141**



**£177**

In these difficult times of economic downturn the majority of parents (**68%**) agree they have cut back spending on their household and children.

# Parent lifestyle

## An easy life?

Parents tend to spend so much of their time on the home, work and children but how much time do they have for themselves and their partner each week?

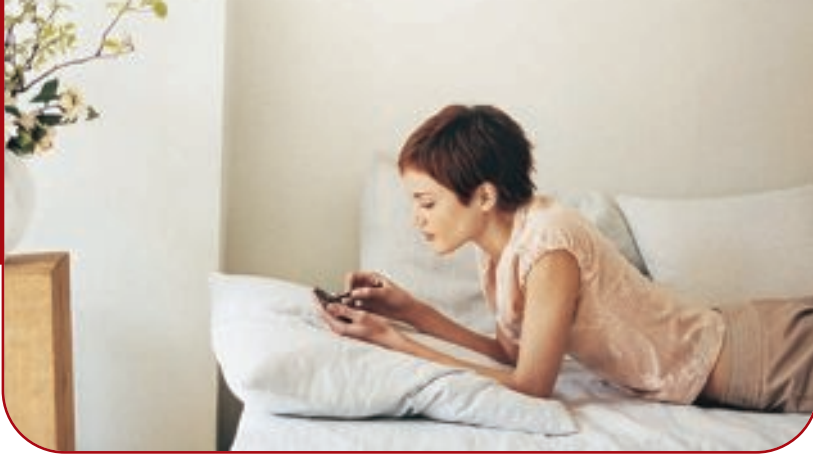
Time spent	Mum	Dad
By themselves	5 hours	7 hours
With partner	2 ½ hours	3 hours

Despite spending little time on themselves **seven in ten working parents** feel the pressure to go to work to manage the bills, decreasing the likelihood of taking time away from work for themselves.



When parents were asked which household tasks they would pay someone to do:

- **25% overall chose washing and ironing**
- **24% overall chose cleaning**
- **18% overall didn't want paid help**



## Impact of work

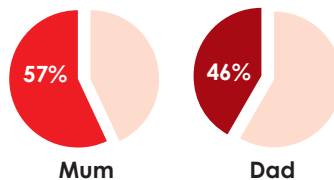
Parents with a household income of more than £20k (by marital status)



Parents value and time spent on domestic work differs depending on work status.

	Hours spent (week)	Yearly cost
Full time parents	55	£24,492
Part time parents	73	£32,032
Non-working parents	82	£36,036

**More Mums than Dads** would prefer not to work and be at home looking after the children, but they need the money. However, almost half the working parents surveyed agree that they do not just go to work for the money.



# Are parents appreciated?

## Parents greatly underestimate the work they do

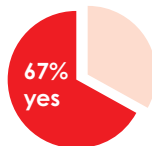
Parents generally believe their partners greatly underestimate the amount of time they spend on chores and childcare. When asked to estimate the value of childcare and work done around the home, Mums and Dads significantly underestimate their partners work around the home.

### The real value of parents work each week

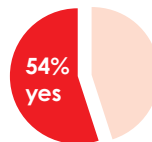


The majority of parents feel appreciated by their partner for the work they do for their families. However, **14% do not feel appreciated for the housework and 10% for the childcare they provide.** Those that work feel more appreciated than those who stay at home.

### Do parents feel appreciated by their children for the time and money they give them?



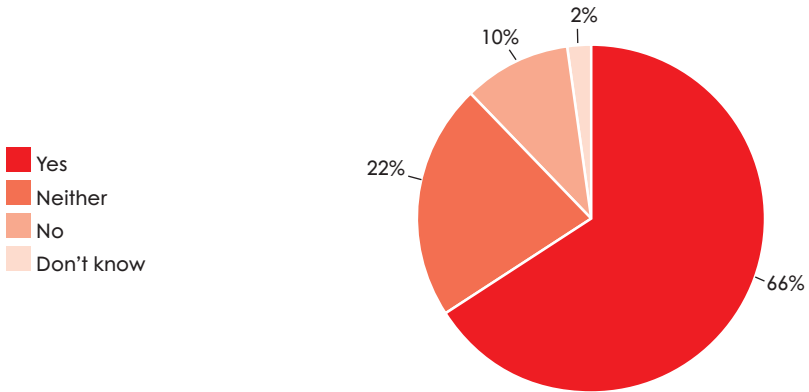
Time



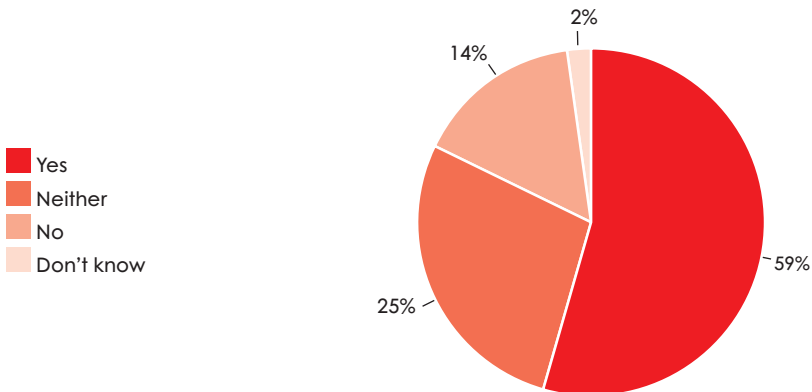
Money



### Do partners value the time spent looking after children?



### Do partners value the time spent looking after the home?

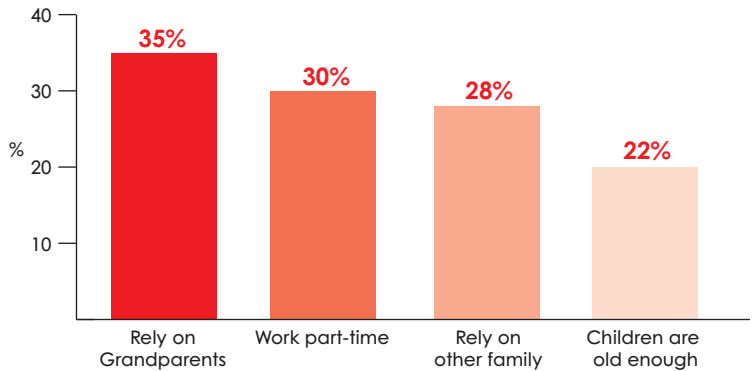


Are parents appreciated?

# How would parents cope?

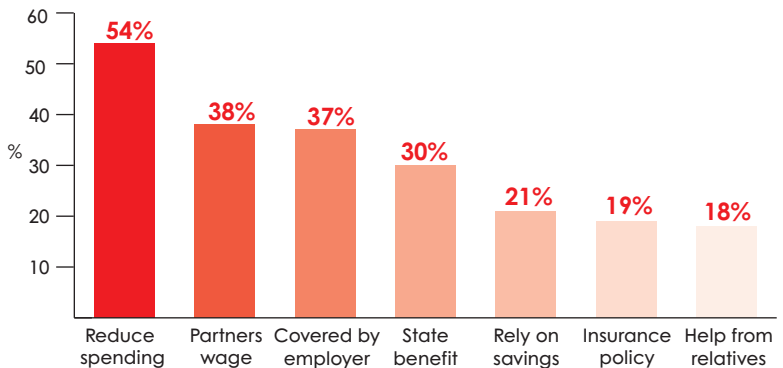
## What would the future bring?

What parents think their partner would do to maintain family life if they died suddenly



63% of parents believe their partner would rely on a family member to help them.

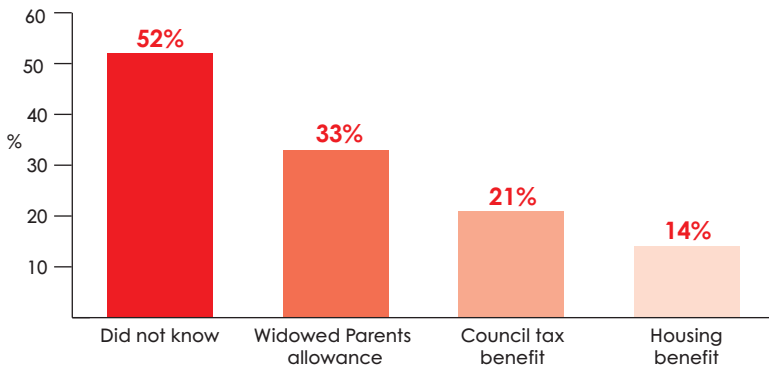
How parents think they'd cope financially if unable to work because of illness or injury



Over half of parents would reduce their spend if they were unemployed or unable to work due to illness or injury.

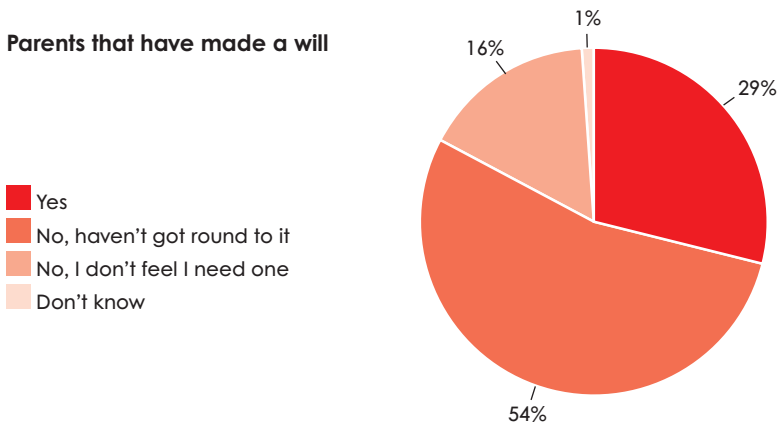


### What state benefits parents think their family would be entitled to if they died



Over half of parents do not know what state benefits their family would be entitled to from the government if they died.

### Parents that have made a will



Virtually everyone is aware they need to make a will, yet 70% don't have one.

How would  
parents cope?

# Are parents protected?

## How many are protected?

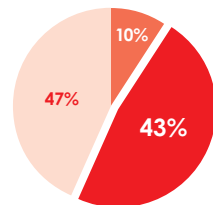
Of parents questioned, by far the most common protection cover in place was life insurance, with critical illness, income protection and family income protection all around a similar level for individual policies.

## Insurance products that Mums and Dads have in place

	Mum	Dad
Life insurance	53%	63%
Critical illness	26%	33%
Income protection	20%	27%
Family income protection	16%	30%

## Parents that review their cover

- Regularly review
- Don't regularly review
- Don't know



Less than half of parents say they regularly review their cover following a life stage change.

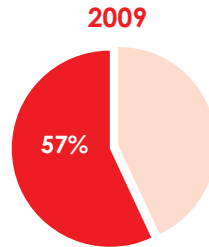
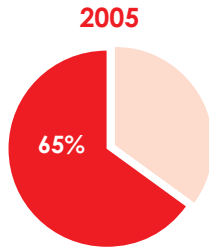


## Parents that are protected 2005 vs 2009

Take up of life insurance has been more than double that of income protection and critical illness cover. However over the last four years life insurance has decreased by a further 8%.

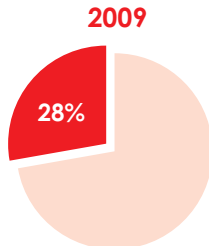
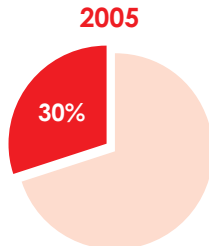
### Parents with life insurance

- Yes
- No



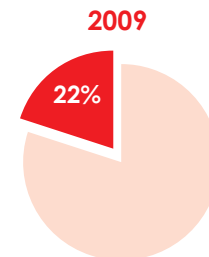
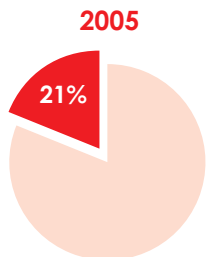
### Parents with critical illness cover

- Yes
- No



### Parents with income protection

- Yes
- No



# How was the research conducted?

## **Our research**

Between 23 and 29 January 2009, a representative sample of over 1000 adults with children aged from birth to 18 completed an online survey.

The adults were selected to make sure that gender, employment, number of children and marital status was representative of Great Britain's population.

The survey used a range of questions to understand and measure the time spent on household tasks, the cost of raising children and the impact of children on family life.

Research and analysis were conducted on Legal & General's behalf by Bdifferent, an independent research agency. The survey was last conducted in 2005 and therefore comparisons have been made between those results and the new findings.

# What's available

We have a wide range of material that can help you with the benefits of protection. To get a copy please speak to your adviser or your usual Legal & General contact.

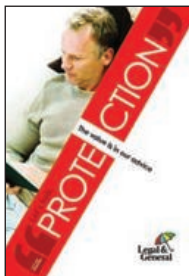
## Value of a Parent 2009




## Family Protection



## Let's talk protection



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