

The University of Stirling

Working for Welfare? Modifying the Effects of
Unemployment Through Active Labour Market
Programmes

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Abstract

In recent decades, research from across the social sciences has demonstrated a strong, consistent and causal link between unemployment and a wide range of negative outcomes. These outcomes go beyond economic problems, incorporating issues such as low well-being, poor health and weak social capital. During the same time, successive UK governments have expanded the use of active labour market programmes (ALMPs): a wide range of interventions that aim to move unemployed people closer to the labour market. ALMPs have been widely evaluated since becoming a central part of UK social policy, yet the majority of studies focus almost exclusively on economic outcomes, such as re-employment and wage levels. This is despite the weight of evidence suggesting unemployment is as much a social problem as an economic one. This discrepancy has led to a small but growing body of research suggesting that ALMPs might play a role in modifying some of the health and social costs of unemployment: beyond simply moving people closer to the labour market. Using a mixed methods research design, this study examines whether ALMPs achieve this by considering four key questions. First, are ALMPs associated with higher well-being, health and social capital compared to the alternative of 'open unemployment'? Second, if there is an association, how robust is this and is there any evidence of a causal function? Third, does the context of an ALMP - such as the specific type of scheme and the kind of participant - matter for understanding outcomes? And fourthly, how and why do people's experiences of unemployment and ALMPs shape their health and well-being?

The findings presented in this thesis offer five original contributions to the study of the health and social effects of ALMPs. First, there is a dichotomy in the effects of ALMPs: participants have higher well-being than the openly unemployed but similar health and social capital levels. Second, ALMPs are most effective in changing how participants feel about and evaluate their lives but are largely unsuccessful in mitigating negative emotions like anxiety. These two findings are evident in both cross-sectional and longitudinal data, suggesting the possibility of a causal function of ALMPs. Together, the findings suggest that the positive well-being effects of ALMPs are not necessarily linked to improved health or social capital but because participants begin to think about their lives in a different, more positive way. Third, well-being gains are experienced by both short-term and long-term unemployed people but disappear upon re-employment. This finding has an important implication for policy, with ALMPs seemingly effective as a short-term protective well-being measure. Fourth, this is the first UK study to explore whether ALMPs work more effectively for different types of unemployed people. The findings presented in Chapter Seven show that work-oriented ALMPs are more successful than employment-assistance programmes, whilst men, younger people, those with fewer qualifications, lower occupational status and lower pre-programme well-being experience the largest benefits of participation. Fifth, the qualitative analysis presented in Chapter Eight argues that ALMPs worked best when schemes reversed the perceived 'losses' associated with unemployment. Three processes of loss were identified - agency loss, functional loss and status loss – which, it is contended, help explain both the observed effects of ALMPs and the broader

experience of unemployment. The thesis concludes with policy suggestions for improving the capacity of ALMPs to mediate the experience of unemployment.

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Abbreviations

ALMP	Active Labour Market Programme
APS	Annual Population Survey
BHPS	British Household Panel Survey
CBT	Cognitive Behavioural Therapy
CS	Citizenship Survey
DWP	Department for Work and Pensions
ESRC	Economic and Social Research Council
EU	European Union
FND	Flexible New Deal
FJF	Future Jobs Fund
GDP	Gross Domestic Product
GHQ	General Health Questionnaire
GMSE	Greater Manchester Social Enterprise
IMF	International Monetary Fund
IQR	Inter-Quartile Range
JCP	Jobcentre Plus
LFS	Labour Force Survey
MWA	Mandatory Work Activity
NMW	National Minimum Wage
OECD	Organization for Economic Co-operation and Development
OLS	Ordinary Least Squares
ONS	Office for National Statistics
OSM	Original Sample Members
PES	Public Employment Service
PESC	Private Employment Support Company
PSP	Personal Support Programme
RCT	Randomized Control Trial
SBWA	Sector-Based Work Academy
UKHLS	UK Household Longitudinal Study (Understanding Society)
WP	Work Programme

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CHAPTER ONE

Introduction

Since the 1990s, one of the most notable policy phenomena in the advanced welfare states of Europe, North America and Australasia has been the proliferation of strategies designed to ‘activate’ the unemployed. In welfare regimes of all types (Esping-Andersen, 1990)¹, governments of both the Left and the Right have legislated to reorient the character and objectives of social policy: beyond what was once an allegedly ‘passive’ orientation and towards a decisively ‘active’ one. This is part of a shift that Walters (1997) has described as the transition from the ‘welfare society’ to the ‘active society’. In the active society, the welfare state – and in particular social security policy – is increasingly tied to the objective of labour market reattachment. The essence of labour market activation is thus an explicit bond between the receipt of social security benefits and the increasing imposition of obligations related to paid work.

Recent trends in labour market activation have seen some countries expand and intensify their strategies. This is especially true of the UK, where reforms throughout the New Labour period (1997-2010) and the present Conservative-led era (2010-present) have strengthened the conditions attached to social security receipt, the use of benefit sanctions and extended work-related requirements to previously unaffected groups of claimants, such

¹ Lødemel and Trickey (2000) argue that the liberal UK regime, the social democratic Danish regime and the hybrid Dutch regime all showed signs of convergence around activation policy.

as lone parents and the disabled. An important feature of this policy landscape has been the use of active labour market programmes (ALMPs). ALMPs are targeted schemes that enrol (and often mandate) unemployed people onto programmes intended to promote and speed up labour market reattachment. ALMPs are now an important part of the British welfare state; during its 2010-2015 administration, the previous Conservative-Liberal Democrat coalition government introduced at least 10 new ALMPs.² The onward march of ALMPs has confirmed their centrality to the new “activation paradigm” (Vlandas, 2011: 6), around which political parties from across the ideological spectrum are signed up to.

At the same time as ALMPs have acquired an increased importance as a welfare state institution, attention has also been drawn to rethinking the traditional ways in which social policies have been evaluated. Historically, economists have tended to focus on the success of social policies in strengthening *preference satisfaction* (e.g. through reducing poverty and boosting incomes), whilst social policy scholars have typically emphasized the meeting of *human needs* (such as adequate income, housing, healthcare and education). Over the past decade however, social scientists have increasingly argued that other outcomes should be considered in relation to policy evaluation (see Chapter Two). Of these outcomes, three stand out in terms of substantive importance and empirical interest: subjective well-being, physical health and social capital. There are numerous reasons why this is the case,

² These include the Work Programme; Mandatory Work Activity; Community Action Programme; Work Clubs; New Enterprise Allowance; Enterprise Clubs; Work Together; Work Experience; Sector-Based Work Academies; Work Trials; and the Youth Contract.

ranging from doubts that rising incomes promote higher well-being (Easterlin, 1974) or better health (Wilkinson and Pickett, 2010) to various social and economic trends, such as climate change and the financial crisis (Tomlinson and Kelly, 2013). As a result of such developments, scholars from multiple social science disciplines (for an example see Layard, 2005) have argued that social policy evaluations should do more to capture the influence that policies have on the real quality of people's lives. Taking the three examples above, this often means examining how policy interacts with people's well-being, their level of health and how well connected people are to the society around them.

In this perspective, policies that are not normally associated with well-being, health or social capital are now increasingly considered through such lenses. In the context of ALMPs, it is thus an appropriate time to reflect on what politicians, policy-makers and academics expect from such policies. The central argument of this thesis is that in the main, academic attention has been drawn almost exclusively – though perhaps inevitably - to the economic outcomes of ALMPs, such as re-employment, job sustainability and wage levels. Whilst this is understandable, the bias towards economic-oriented evaluations ignores the wealth of empirical and theoretical knowledge concerning the profound health and social costs of unemployment. For many decades now, scholars from across the social sciences have demonstrated the negative effects that unemployment causes, ranging from poor health and suicide to low life satisfaction and weak social networks (see Chapter Three). As a consequence, ALMPs can be seen as interventions that not only hold the

potential to deal with some of the economic costs of unemployment, but the health and social ones as well.

However, there is presently little understanding of how ALMPs affect and interact with the ‘non-pecuniary’ – or social – dimensions of unemployment. Whilst there are a small number of international studies exploring the relationship between ALMPs and well-being, there is little understanding of how this relationship works, whom it works for and what kind of ALMPs work best. In addition, there is minimal empirical evidence related to the health and social capital effects of ALMPs. This thesis aims to fill these gaps by exploring the UK policy context of ALMPs targeted towards unemployment benefit recipients. To achieve this, a mixed methods research design is utilized. Quantitative methods, which draw upon both cross-sectional and panel data, are used to explore the association between ALMP participation and numerous health and social outcomes, both at one point in time (Chapter Five) and in a longitudinal perspective (Chapter Six). Further, quantitative approaches are also used to examine which kinds of ALMPs are most effective and for which types of participants (Chapter Seven). Finally, a qualitative study explores the meanings that people attach to unemployment and how ALMPs mediate such experiences.

Research Objectives

The central research aim of this thesis is to explore the relationship between ALMPs and the well-being, health and social capital of unemployed people. To achieve this, a mixed methods design is used to pursue four key research objectives:

1. To expand the evidence base on the well-being, health and social capital effects of ALMPs. This is especially important in the UK where, compared to other countries, very little is known about the non-economic effects of ALMPs.
2. To explore whether claims of causality can be strengthened vis-à-vis participation on ALMPs and whether ALMPs have short-term or long-term effects.
3. To examine whether the effects of ALMPs are dependent on context, including ALMP type and different kinds of participants.
4. To investigate the meanings that participants attach to ALMPs and unemployment and to explore the pathways that are associated with positive and negative experiences.

Outline of the Chapters

Chapter Two explores the two developments outlined above. First, it investigates the historical context of ALMPs: the reasons why such policies have increased in importance, what these policies are and their different varieties. Second, it analyses the development of interest in the non-

pecuniary outcomes of traditionally economic policies like ALMPs. The principal question here is why outcomes related to indicators such as health and well-being are important for policies not normally associated with them. The final section of the chapter links these two developments together, making the case that considering the non-economic outcomes of ALMPs is intellectually important and practically relevant for social policy making.

Chapter Three reviews the existing literature on the health and social costs of unemployment and the evidence on ALMPs' capacity to act as a 'mediating' force. In this chapter, the central argument of the thesis – that the evaluation of ALMPs should incorporate a better and more sophisticated understanding of how such policies affect the health and social problems associated with unemployment – is made. To achieve this, two separate arguments are made. First, a wide range of research is reviewed that links unemployment to a variety of social problems. Importantly, there have been two key findings in the literature:

1. The negative effects of unemployment are partly *causal*. Unemployment exerts an independent effect on people's lives.
2. This causal mechanism is partly *psychosocial*. Unemployment has a negative independent effect irrespective of material circumstance and income.

These two findings imply that welfare state institutions that alter the psychosocial environment of unemployment – such as ALMPs and more

traditional social policies such as benefit eligibility criteria and replacement rates - have the capacity to modify, and potentially improve, the experience of being unemployed.

Second, it is argued why ALMPs might be theoretically expected to lead to an improvement in the experience of unemployment. Much of this understanding is linked to developments in social psychology that suggest how ALMPs might enable unemployed people to access some of the positive psychosocial functions associated with paid work, such as daily structure, social status and social contacts.

Chapter Four describes the mixed methods approach designed to explore how ALMPs affect the experience of unemployment. The first three empirical chapters utilize large-scale social surveys such as the Annual Population Survey, the British Household Panel Survey/Understanding Society and the Citizenship Survey. The methods used range from ordinary least squares (OLS) regression models to fixed and random effects models for the analysis of panel data. The fourth empirical chapter presents an analysis of a qualitative research project with twelve people who were participating on had recently participated on a variety of ALMPs, including the government's primary welfare-to-work scheme the Work Programme.

The empirical analysis is presented in Chapters Five to Eight. Chapter Five estimates a wide range of OLS regression models on different indicators of well-being, health and social capital. The data mainly come

from the Annual Population Survey (APS), which has been used since 2011 to explore and track the population's well-being, with the social capital analysis drawn from the Citizenship Survey (CS). The results in chapter five suggest there are significant associations between ALMPs and improved well-being amongst the unemployed, with little evidence however of an association with health and social capital. Chapter Six explores these results further using the more robust methods associated with panel data analysis, with similar findings to those of chapter five. Further, Chapter Six also examines questions of causality by analysing transitions into and out of ALMPs using the long-running British Household Panel Survey (BHPS). Chapter Seven proceeds to take a more contextual look at the impact of ALMPs. The key questions for this chapter are what types of ALMPs work best and whom they work most effectively for. The final empirical chapter explores the findings from the qualitative project, with a focus on the meanings that participants attach to unemployment, ALMPs and work. The objective of the qualitative analysis is to provide a deeper understanding of the kinds of relationships observed in the quantitative chapters.

Chapter Nine discusses the implications of the empirical findings. In this section, three key areas are discussed. First, the main findings of the thesis are drawn together and their original contributions discussed. Second, the findings are then related to existing theories of unemployment and ALMPs, with a new explanation of unemployment proposed: unemployment as a process of 'loss'. In the third and final section the chapter, the thesis

concludes with a discussion of its limitations and an exploration of the implications for social policy.

CHAPTER TWO

Two Trends in Social Policy

The objective of this thesis is to explore how active labour market programmes (ALMPs) affect the non-economic effects of unemployment, with the purpose of this chapter being to locate and explain the rise of (a) ALMPs and (b) interest in the social effects of economically-oriented policies. The final section of the chapter subsequently argues that the social dimension, as well as the economic one, should be central for evaluations of ALMPs. The organization is as follows. First, a discussion of precisely what ALMPs are is offered, with an objective definition outlined. Second, the political, economic and social context of the 'activation paradigm' is explored, examining the increasing welfare state importance of ALMPs in the UK and elsewhere. Third, the rise of alternative assessments of social and economic policies is summarized. Finally, in light of these two trends in social policy, the final section sets out the key argument of the thesis.

What are ALMPs?

ALMPs have been subjected to a strong degree of politicization over the past few decades, meaning that the task of defining them is better served by initially outlining what they are not. This section argues there are three common assumptions of ALMPs that confuse the nature of such programmes. Following this discussion, the rest of the section offers a definition of ALMPs.

ASSUMPTION ONE: 'ALMPS ARE NEW'

Passive labour market policies gained ascendancy in the 1960s as the UK, in common with many major economies, increasingly sought to achieve its goals through full employment fiscal policies. The requirement for labour market attachment was reduced, first in 1974 with the split of Jobcentres from Benefit Offices and the creation of the Manpower Services Commission. In 1982, with unemployment rising towards three million, the requirement to look for work while on benefit was removed entirely. (Freud, 2007: 12).

A key component of the 'activation paradigm is that ALMPs are new and constitute a break with the past. This distinction – between old 'passive' and new 'active' policies – is essential for governments wanting to be seen as innovative in labour market policy-making. History however shows that policies aiming to move unemployed people into work have a long history: something that contradicts the purported division between passive measures of the past and active measures of the present. As Evans (2001: 26) argues: "activation is often used misleadingly to imply that benefits were passive before hand....(although) this has rarely been the case".

The most important example of ALMPs were those central to the Swedish Rehn-Meidner model in the 1950s (Barbier, 2001); the central objective of which was to achieve full employment alongside economic growth, high productivity and low inflation. To realize these goals, Swedish policy-makers allowed worse performing companies to fail, with redundant workers reskilled through government programmes towards more productive economic sectors:

Firms operating below average efficiency would be making a loss and have an incentive to become more efficient. They would no longer be able to rely on their own workers accepting lower pay and thus subsidizing their firm's own inefficiency. A certain number of bankruptcies and redundancies might well ensue. *Here the government would intervene to pursue an active labour*

market policy, by offering incentives, financial and otherwise, as well as retraining and rehousing schemes, so that workers made redundant could find other jobs. This would achieve flexibility in the labour market, while ensuring the preservation of full employment and increase in productivity. (Sassoon, 1996: 204, emphasis added).

Other west European countries implemented ALMPs before the emergence of the policy orthodoxy too. In France, the *insertion* strategy of the 1970s expanded ALMPs, whilst Germany and Austria's traditions of vocational training are described by Barbier and Ludwig-Mayerhofer (2004: 425) as "active policy tools, *par excellence*". Casey (1986) similarly examines how training programmes were a key feature of UK social policy during the 1980s, whilst another feature of ALMPs – conditionality – has been present since the introduction of unemployment insurance. Clasen (2000: 89) for example argued "the debate tends to ignore that unemployment benefits have always involved requirements on the part of claimants regarding the availability for and unwillingness to work, as well as demonstrable steps to seek employment". Gregg (2008: 21) adds that in the UK, "as early as 1911 a person could be disqualified from claiming unemployment benefits if they refused a suitable job offered to them by the Unemployment Exchange".

Bonoli (2010) argues that activation has always been an element of modern welfare states, contending that instead of a division between passive and active eras, there have been three distinct phases. First, up until the mid-1970s ALMPs were used to upskill workers for the rapidly expanding industrial economies of Europe. Second, in the late 1970s and 1980s ALMPs 'occupied' the mass ranks of unemployed people created from the economic fall-out of the time. Third, the present ALMP era aims to integrate,

encourage and often compel mostly long-term unemployed people back into work. Unemployed people then have long been encouraged, sometimes mandated, towards ALMP participation. The distinction between ‘passive’ and ‘active’ eras is far more complex than often assumed.

ASSUMPTION TWO: ‘ALMPS ARE ACTIVATING’

Activation requirements increase levels of participation in employment services, thus making participants’ job search more effective and/or enhancing their skills...This argument applies across the whole range of measures – interviews, participation in training etc. – that the unemployed person perceives as having costs, but which also contribute effectively to bringing him or her closer to employment. (OECD, 2005: 4).

The second assumption is that ALMPs’ outcomes are always ‘activating’, an argument developed by Sinfield (2001), who argues that ‘passive’ benefits may be more genuinely ‘activating’ than active counterparts:

The inappropriateness of ‘passive’ as a description of out-of-work benefits is demonstrated by the way in which low benefit levels, combined with aggressive policing, can make it *more difficult* to get back to work, as well as to cope with the problems unemployment brings. The disciplinary effects and the unemployment trap of means-tested benefits mean that the claimants see themselves as ‘trapped’ or ‘caged’ by the social security system. (Sinfield, 2001: 220).

Sinfield’s argument is a riposte to the assumption that ALMPs are more successful in ‘activating’ unemployed people: i.e. returning them to the labour market. It is a reminder that the key distinction is not about which type of intervention is more ‘activating’; rather, it is between qualitatively different mechanisms for delivering benefits. ALMPs are about benefit delivery with explicit labour market-related requirements, as opposed to unconditional income maintenance. Thus, whilst Sinfield’s argument is that whilst there are key differences between the approaches, the terminology used is

politically loaded and does not necessarily correspond to policy outcomes. This point is also expressed by Robinson (2000: 15) and Armingeon (2007: 907), who both argue that the evidence that ALMPs are ‘activating’ is, at best, mixed.

ASSUMPTION THREE: ‘ALMPS ARE HOMOGENEOUS’

At the heart of our welfare reforms... (is) more active, personalised support to help people overcome these barriers rather than an impersonal and passive service that condemns people to years of inactivity. (DWP, 2008a: 27).

The final assumption is that ALMPs constitute a harmonized group of interventions. This claim is particularly associated with British policy documents that often emphasize the distinction between passive and active benefits rather than variation within ALMPs. In practice, ALMPs – between and within welfare states – constitute a diverse range of interventions. In general, ALMPs are often understood on two levels: (1) the orientation of policy (*the ideological, normative character of policies*) and (2) the design of interventions (*what happens in practice*). These two levels are described by Lødemel and Trickey (2001) as the ‘aims-based’ and ‘forms-based’ nature of ALMPs, with scholars often producing a dichotomous typology to explain variation. This distinction is labelled as that between human-resource development and labour market attachment (Lødemel and Trickey, 2001); universalistic and liberal activation (Barbier, 2001); human-capital development and work-first (Bruttel and Sol, 2006); offensive and defensive workfare (Torfing, 1999); and the enabling versus the workfare state (Dingeldey, 2007). Bonoli (2010) expands the typology, arguing that ALMPs exist on two spectrums. First, they are distinguished by the extent they have

a ‘pro-market orientation’; second, they are differentiated by the level of investment in ‘human-capital development’.³

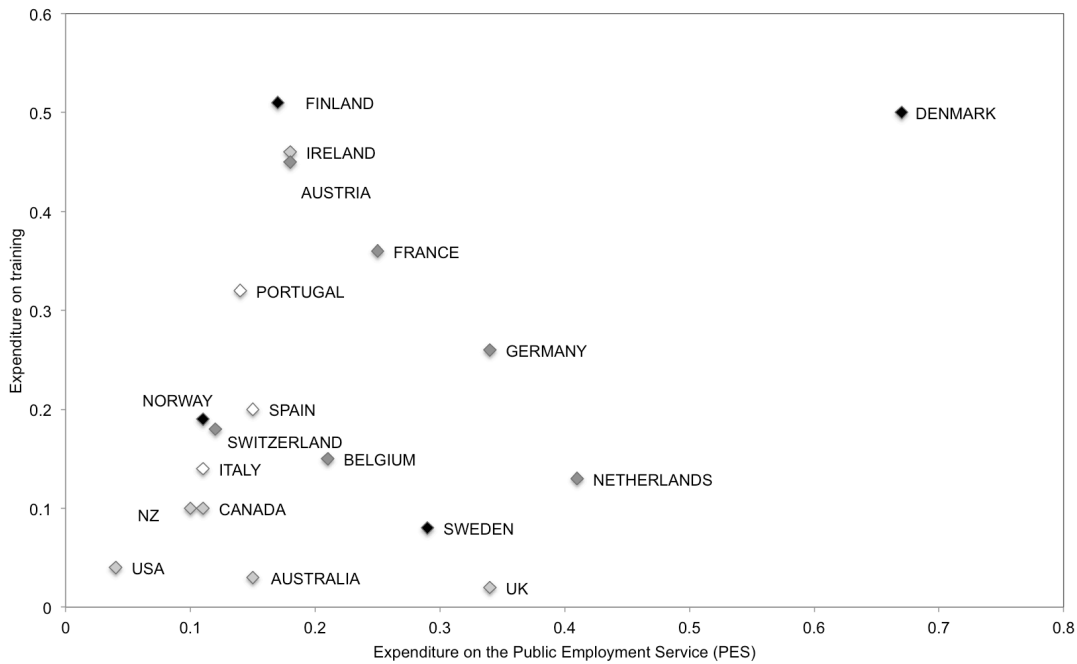
Related to the first level – orientation – Clasen and Van Oorschot (2002) argue that ALMPs are determined by norms about the neediness and deservingness of claimants, different principles of redistributive justice (also see Reeskens and Van Oorschot, 2013) and debates about social rights. These moral foundations of ALMPs inevitably bear on the design of such policies in practice. Differences between the two ‘ideal types’ above in terms of policy orientation often diverge between (a) explanations of unemployment (b) ALMP objectives. Thus, ‘work-first’ ALMPs explain unemployment as a problem of motivation and behavioural/cultural barriers. Alternatively, ‘human-capital’ ALMPs see unemployment as a consequence of structural social-economic problems, such as poor skills, weak demand and ill-health. Consequently, if the explanation of unemployment varies, so too do objectives. Work-first approaches restructure work incentives to promote rapid labour market re-entry, whilst human-capital development approaches promote sustainable re-employment through tackling the perceived causes of unemployment, such as poor skills.

Related to the second level – policy design – work-first favours benefit sanctions, short-term ‘soft-skills’ training, job placement services and personal adviser support. Alternatively, human-capital development has a stronger focus on vocational training, education and skills development. This

³ Pro-market orientation is defined by Bonoli (2010) as the extent to which policies aim to place unemployed people into demand-led paid work in the labour market, as opposed to government-created jobs. Human-capital development is defined as the level of expenditure and investment in skills, education and training.

is evidence in Figure 2.1, which shows variation in expenditure on different ALMP types, with the OECD distinguishing between spending on the Public Employment Service (PES – more associated with work-first) and training (associated with human-capital).

Figure 2.1 Variation in Expenditure by Type of ALMP as a Percentage of GDP in OECD Countries

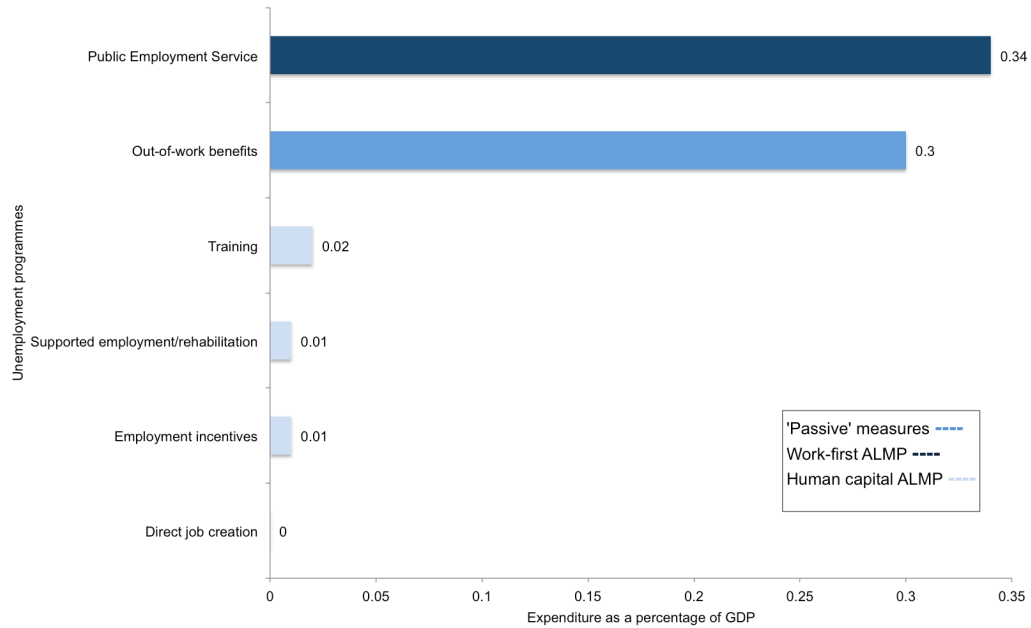


Source: OECD (2013a); all data for 2011 with the exception of PES expenditure for Norway (2007) and PES and training expenditure for the UK (2009). Colour-coding relates to welfare state regime (see Figure 2.1).

Expenditure variation between the two types varies enormously. The UK for example spends the lowest proportion on training (0.02 per cent), yet has relatively high expenditure on the PES (0.34 per cent). Alternatively, Finland has high training (0.51 per cent) but low assistance expenditure (0.17 per cent), whilst Denmark spends significantly on training (0.67 per cent) and the PES (0.5 per cent). Figure 2.3 breaks down all spending on unemployment in the UK, demonstrating that the bulk of spending goes on the PES and traditional unemployment benefits, with only minimal amounts

spent on human-capital schemes like training, supported employment and employment incentives.

Figure 2.2 Expenditure on Unemployment Policies in the UK



Source: OECD (2013a); data for work-first and human capital expenditure comes from 2009; data for spending on out-of-work benefits comes from 2010.

The above discussion demonstrates that a meaningful conceptualization of ALMPs must account for variation between different programmes, in both guiding principle (orientation) and operation (design). Variation is an integral characteristic of ALMPS: they are located in different ideological contexts, influenced by varying normative values about social justice and shaped by nationally specific labour market conditions and policy legacies.

DEFINING ALMPS

The debates above demonstrate how popular understandings of ALMPs are often clouded by misconceptions and political rhetoric (OECD, 2005; Freud, 2007; DWP, 2008a). Yet, although politically loaded, this does not mean

ALMPs are a meaningless concept: the practice of propelling unemployed people back to work has a long history and ‘activation’, of which ALMPs are a part, is a very real phenomenon. This includes changes to entitlement, increased expenditure on certain policies and the expansion of ALMPs to new groups of claimants, with numerous scholars arguing there has been a very real shift towards ALMP use in Europe (see Clasen and Van Oorschot, 2002; Van Berkel and Borghi, 2007; Bruttel and Sols, 2012; and Graziano, 2012). As Barbier and Ludwig-Mayerhofer (2004: 429) argue: it is wrong to say “activation is *nothing but ideology*, as this ideology can be – and has been – a very powerful tool in enhancing far-reaching shifts”.

Based upon a review of the literature on ALMPs⁴, and considering the limitations outlined above, it is possible to draw out two key components of ALMPs, as well as a plausible third:

1. ALMPs explicitly link benefit receipt to participation in programmes related to the labour market.
2. ALMPs provide a service, such as training or employment-assistance.

and, in many instances

3. ALMPs are marked by mandatory requirements, although in the UK some ALMPs remain voluntary.

In practice, ALMPs can be said to exist within a broader a system of activation, as is argued by the OECD:

⁴ Torfing (1999: 22); Robinson (2000: 14); Clasen (2000: 90); Lødemel and Trickey (2001: xi); Barbier (2001: 6); Evans (2001: 26); Martin and Grubb (2001: 12); OECD (2002: 9); Barbier and Ludwig-Mayerhofer (2004: 425-426); Wright et al. (2004: 512); Clasen and Clegg (2006: 527-528); Dingeldey (2007: 824); Armingeon (2007: 905); Van Berkel and Borghi (2008: 332); Vlandas (2011: 6); Van Vliet and Koster (2011: 5).

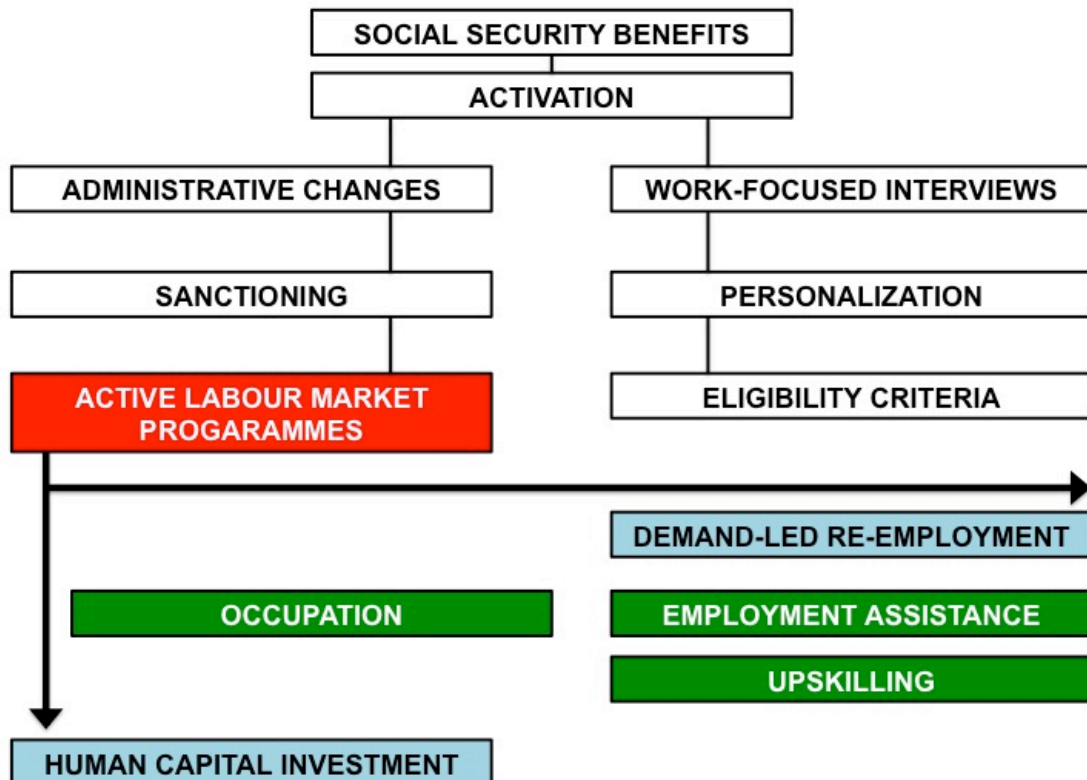
First, they (*an activation strategy*) make receipt of benefits conditional on the benefit recipient demonstrating active job search and/or a willingness to take steps to improve employability. Second, they provide a range of pre-employment services and advice to help the individuals in question find work or get ready for work. (OECD, 2002: 9).

In this definition, there is a clear ‘multi-level’ nature to activation. In the first level, activation refers to a *broad system defined by the explicit and compulsory linking of benefits to the objective of labour market reattachment*. In the activation system then, conditionality is an essential feature linking benefits to various re-employment activities. However, the second level of activation is the presence of *pro-employment services/mechanisms*, of which ALMPs – along with other policies like work-focused interviews and subsidies – are a component. Thus, activation is a *system* in which benefits are tied to *pro-employment activity and services*. ALMPs are a common component of activation systems. Beyond this, ALMP participation may or may not be compulsory: the essential feature of ALMPs is that they are participatory programmes intentionally designed to move people closer to the labour market. Bonoli (2010) argues there are two dimensions to ALMPs: (a) whether ALMPs promote re-employment into market-led, demand-driven work or produce state-created temporary jobs and (b) the extent to which they invest in human-capital. This leads to three ideal types.⁵ ‘*Employment-assistance*’ ALMPs aim to place people into demand-driven work but have weak human-capital investment. They emphasize job-search assistance,

⁵ Bonoli (2010) posits a fourth type – ‘incentive reinforcement’ – that is pro-market and low in human-capital development. It primarily focuses on using economic levers like tax credits and sanctions to incentivize re-employment. However, incentive reinforcement is not a unique form of ALMP but a mechanism used to complement ALMPs and strengthen work incentives (Berry, 2014). As such, the above discussion treats Bonoli’s (2010) ‘incentive reinforcement’ as part of the system of activation but not an ALMP itself.

placement and matching services, counselling and personal advice. ‘*Occupation*’ ALMPs do not place people into demand-driven work or invest in human capital. They aim to ‘keep people busy’ and prevent loss of human and social capital. They include job creation schemes, rudimentary work experience placements and community programmes. Finally, ‘*upskilling*’ ALMPs combine a demand-led approach with high human-capital investment. They include vocational training, education and skills development. This multi-level system of activation is depicted in Figure 2.3.

Figure 2.3 A Multi-Level Conceptualization of Activation and ALMPs



Policy Context

THE RISE OF ACTIVATION

Although ALMPs have their genesis in earlier labour market policies, such as in post-war Sweden and as far back as nineteenth-century Britain (Field, 2013), they have grown in importance in recent years and are often associated with the perceived need to address ‘new social risks’ (OECD, 1994; Esping-Andersen, 2002; European Commission, 2005). The argument that there are new social risks that require attention through active labour market programmes is linked to two key trends: socio-economic transformations and ideological change.

First, ALMPs have been advocated as industrialized countries have undergone deep socio-economic changes. These include rising unemployment throughout the 1980s and 1990s, a decline in secure manufacturing work and the growth of disability claims, which – according to some accounts (e.g. DWP, 2008a: 83) – exerted deep pressures on welfare states. More broadly, the regulationist school (Jessop, 1993; Torfing, 1999) links activation to globalization. The logic of this argument is that global economic change (*globalization*) led to changing economic policy goals (*flexible labour markets*) and, consequently, pressure to reform the welfare state to align with these new objectives (*activation*). Activation is thus a component of new economic arrangements, with ALMPs aiming to “reskill the labour force and encourage a flexi-skill labour market” (Jessop, 1993: 32). Other scholars however have downplayed the importance of globalization in explaining activation. Pierson

(1998) links activation to population ageing, slower productivity growth and the rise of the service sector, whilst Bonoli (2007) links activation to the emergence of new risks, such as in-work poverty and family instability, and the changing nature of unemployment (see also Martin and, 2001).

Second, changing political ideas about the welfare state are a further key determinant in explaining the rise of activation. In the UK and the US, political support for activation is most commonly associated with the Right and changing ideas within conservative parties about the utility of social security and its relationship with work. Neoliberal influences argued that people were perversely incentivized by welfare arrangements to avoid paid work due to the relative gains from unemployment benefits when pitted against low wages (Murray, 1990)⁶, whilst social conservative critics argued that social security was morally corrupting and bred bad character (Mead, 1986). Yet in other contexts the Left is more associated with developing activation, with social democratic governments in the UK (1997-2010), Denmark (1994-2001) and Germany (1998-2005) expanding ALMPs underpinned by common ideological threads. These include tying social democratic values to ‘modern’ policies through a ‘third-way’ (Bonoli and Powell, 2002); tackling youth unemployment and long-term unemployment (Torfing, 1999); promoting organizational innovation in the public sector (Van Berkel, 2009); and achieving high labour force participation (Huo et al., 2008). Both Left and Right have therefore become united in support of activation, creating a powerful policy hegemony given vociferous backing by

⁶ For a discussion see Lødemel and Trickey, 2001; Revilla and Pascual, 2007; Van Berkel and Borghi, 2007.

organizations like the EU, IMF and OECD (see OECD, 1994; Evans, 2001; Armingeon, 2007; Graziano, 2012; Blanchard et al., 2013).

THE UK POLICY CONTEXT

In the UK, the influence of the activation paradigm has been stronger than in many countries, with the UK acquiring a reputation as a leading innovator in ALMP.⁷ The essential UK approach has been to enable – and arguably ‘push’ – people to find employment quickly. UK activation thus focuses on job-matching assistance, employability training (e.g. CV/interview skills) and basic skills (e.g. literacy/ICT) (Fothergill, 2013).

The broader UK activation system initially directs people to Jobcentre Plus, where basic employment services are offered before long-term claimants are directed to more intensive support incorporating ALMPs. This initially took the form of the New Deals, introduced in 1998 by Labour, and which targeted youth and long-term unemployment. The New Deals went beyond basic job-search by offering participants four options: full-time education/training; subsidized employment; voluntary sector work; or a six-month environmental community-placement. Voluntary programmes were introduced for disabled people, lone parents and partners of claimants. During the lifespan of the New Deals the UK labour market was buoyant, creating high levels of labour market participation. Consequently, the UK

⁷ Lødemel (2001) argues that Denmark, the Netherlands and the UK were the leading innovators in activation policy during the 1990s. Since then, Berry (2014) argues that other countries, most notably Germany, have attempted to mimic these reforms in the 2000s.

activation system was credited with supporting such high job-creating powers (Freud, 2007: 1).

The next stage of UK activation emerged just before and during the 2008 financial crisis. Prior, the Labour government amalgamated the various New Deal programmes into the Flexible New Deal (FND) following the Freud report (2007). The central feature of the reforms was strengthening the division in support offered to the newly unemployed (who would remain with the JCP) and the long-term unemployed (referred to specialist providers). Contracted providers would be given a 'black box' approach, in which the design of the delivery model is decided by providers. Additionally, a stronger system of conditionality was introduced, whilst the amount of funding for training and work subsidies would be reduced to deliver 'value-for-money'. Simultaneously, activation was intensified for previously exempt groups, such as lone parents, with the expectation to look for work introduced when the youngest child is 7 compared to 16 before the FND (DWP, 2007).

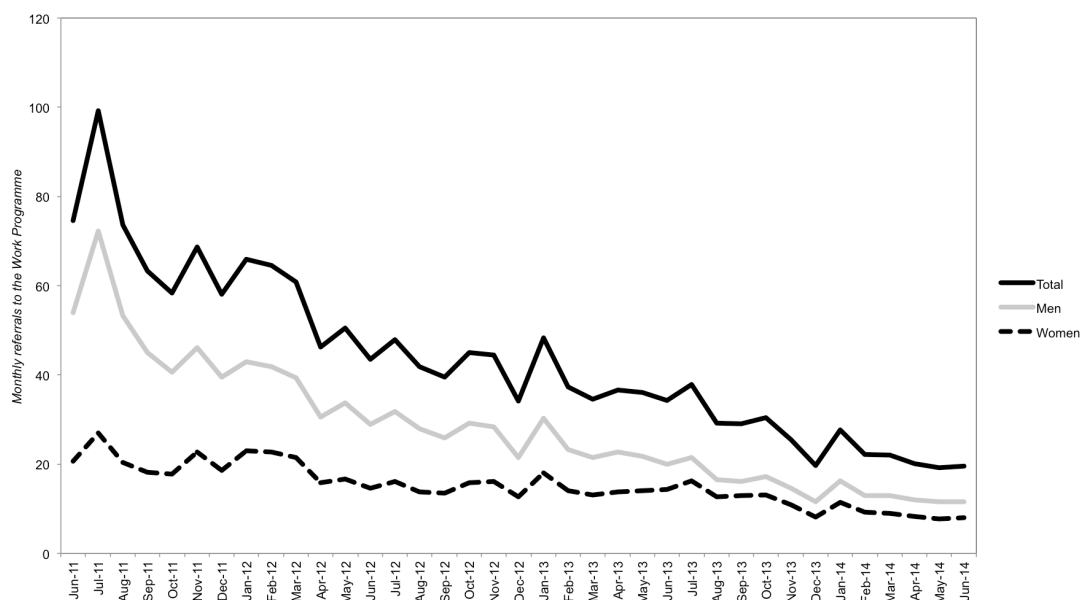
During the financial crisis, Labour introduced further reforms to deal with emerging employment challenges, such as rising youth unemployment and the proliferation of temporary work. The most significant of these was the Future Jobs Fund (FJF), which provided temporary public sector work placements to young unemployed people. FJF placements were partially funded by the DWP, lasted for a minimum of six months, were paid at the minimum wage and aimed to eventually support participants into sustainable employment. The FJF constituted an important shift in UK activation, with

a stronger role for job creation, training and government subsidies (Fishwick et al., 2011).

Between 2010-2015, the Coalition government's approach expanded Labour's strategy, with the FND essentially rebranded as the Work Programme (WP). Between 2011-2014, there were over 1.6m referrals from the JCP to WP providers although, as Figure 2.4 shows, the number of referrals slowed as the economy improved. Of particular note is the convergence in Work Programme referrals by gender as the labour market recovered. When the scheme was first introduced, almost three times as many men were referred than women. Yet as the number of referrals declined from 2013, almost as many women as men were referred to the programme. Evaluations of the WP have suggested generally weak performance, with Lane et al. (2013) suggesting many participants are highly disadvantaged and find it difficult to find employment. Fothergill (2013) has further suggested that funding has been skewed towards job-search assistance and basic skills rather than more specialist support. Additionally, the Coalition introduced a range of new ALMPs. Important interventions include the Youth Contract, which offers employers subsidies for hiring young people; New Enterprise Allowance, which provides assistance for self-employment; Mandatory Work Activity, which – controversially – compels those not yet eligible for the WP to an unpaid, four-week work placement; and Help to Work, a scheme that intensifies activity requirements for the very long-term unemployed. Devolved powers also have more localized programmes, including Community Jobs Scotland and Jobs Growth Wales,

whilst English councils have similarly introduced their own schemes, such as the Liverpool Apprenticeship Wage Subsidy and the Newham Workplace in London.⁸

Figure 2.4 Work Programme Referrals, June 2011 – June 2014



Source: DWP Tabulation Tool (accessed December 2014)

The UK activation system should be seen in the broader context of a labour market that – with its high reliance on flexible, low-skilled labour – benefits from activation that encourages rapid re-entry into work and the development of transferable ‘soft’ skills. This contrasts with other European systems where labour markets rely more on medium- to high-skilled jobs and where, accordingly, governments spent more on vocational training and reskilling. The UK, for example, spends 4 per cent of its activation budget on

⁸ Community Jobs Scotland and Jobs Growth Wales both work similarly to the FJF in that they offer young unemployed people a paid, six-month work placement, usually with a charity or public sector organization. The Liverpool Youth Contract Apprenticeship supports the recruitment of young unemployed people into apprenticeships by paying the first six months of employment. Newham Workplace offers extra support to unemployed people in a ‘one-stop shop’ that deals with employment issues, as well as other problems such as housing and debt.

training, whilst France and Germany spend 37 and 36 per cent respectively (Berry, 2014). Hence the design of the WP: which, rather than retraining individuals, concentrates on directing them to the relative abundance of low-skilled jobs available. As Berry (2014: 12) argues, ALMPs “cannot be understood as simply a response to unemployment...(but as helping) facilitate and shape particular labour market practices”. ALMPs are thus part of broader labour market, vocational, educational and economic frameworks.

To summarize, this section has outlined the rise of the ‘activation paradigm’; the consensus that welfare states need to reform social security towards more ‘active’ measures that include ALMPs. To explain this, it was shown how ALMPs are linked to changing economic, social and political climates that have strengthened the argument that more needs to be done ‘activate’ the out-of-work. Within this global reform agenda, it was shown how the UK has emerged as one of the most important policy innovators.

New Policy Trends, New Policy Outcomes?

As activation has become a prominent area of welfare reform, new debates in the social sciences and beyond have called for a rethinking of how social policies are evaluated. Traditional approaches include the extent to which policies meet human needs (e.g. housing, food, healthcare, education) or whether they improve incomes and reduce poverty. However, researchers from a range of disciplines have recently shown interest in alternative ways of measuring policy success. In particular, three trends stand out as of particular importance for the study of unemployment and ALMPs: these are

whether policy promotes (a) higher subjective well-being; (b) better health; and (c) stronger social capital. This section describes the rising policy attention paid to these three areas, whilst the next chapter explores how each relates more specifically to unemployment and ALMPs.

SUBJECTIVE WELL-BEING

During the past decade, European governments and those in other democracies have expanded efforts to understand, measure and incorporate measures of well-being into policy-making (Stiglitz et al. 2009; ONS, 2012). This is an important development; in modern economies, the most predominant understanding of ‘well-being’ has been related to economic notions of preference satisfaction through higher incomes, with income often used as a valid proxy for well-being itself (Di Tella and MacCulloch, 2006). This approach is also attractive from a political perspective too; using income measures – e.g. GDP – has the perceived advantage of avoiding perceptions of paternalism. Arguably, income-focused policies look to create an environment in which people have the freedom to pursue their own conception of ‘the good life’ (Fleche et al., 2011).

The increased attention afforded to subjective well-being thus poses a challenge to dominance of income as the prime measure of social progress. One of the strongest advocates of applying well-being to policy is the economist Richard Layard (2005), whose 2005 book *Happiness* was a bestseller and spawned a range of popular books about well-being (Haidt, 2006; Skidelsky and Skidelsky, 2013; Dolan, 2014). Politically, during 2010-2015 the Coalition attempted to mainstream well-being indicators into policy

evaluations. Practically this meant including new questions into large-scale social surveys (e.g. the APS) and the construction of the National Well-Being Index (Dolan and Metcalfe, 2012). More recently, the establishment of the ESRC-led *What Works Centre*, chaired by the former Cabinet Secretary Gus O'Donnell, has the aim of exploring how governments can improve well-being through applying research findings to policy. Similar projects have been undertaken by supranational organizations, such as the Better Life Initiative (OECD, 2013b) and Beyond GDP (European Commission, 2009), and national governments such as Australia (Cummins et al., 2010), Canada (Canadian Index of Wellbeing, 2012) and France (Stiglitz et al., 2009).

HEALTH

As increased attention is afforded to subjective well-being, there has been a simultaneous rise in the interest afforded to the health effects of social policies, with a growing argument that social policy should better deal with contemporary health problems. That health problems have a social explanation is not necessarily new but has nevertheless acquired increased attention. Such attention has been driven from a range of disciplines, most notably social epidemiology, where attention has been deflected towards the health effects of social and economic policies.

The key document of this trend is Marmot's (2010) UK government report *Fair Society, Healthy Lives*, where Marmot argues that health problems are inextricably tied to social problems. Consequently, dealing with health issues requires intervention at the level of social and economic policy. NHS investment, for example, is insufficient: "reducing health inequalities is

a matter of fairness and social justice...(thus) taking action to reduce inequalities in health does not require a separate health agenda but action across the whole of society” (Marmot, 2010: 15-16). Similarly, Wilkinson and Pickett (2010) argue that health and social problems are essentially one-and-the-same; in more unequal countries, they argue, there is a higher prevalence of health problems, an argument also advanced by Dorling (2014). The impact of public spending cuts on health has also assumed a high profile in recent years (Stuckler and Basu, 2013), whilst the National Health Action Party was established to exclusively campaign on health-related issues.

SOCIAL CAPITAL

There is a relatively long history of interest in the relationship between social policy and social capital, a concept popularized by Robert Putnam’s *Bowling Alone* (2000). Social capital is a contested concept but broadly refers to the quality and strength of social relationships: the OECD (2001: 41) describing it as “networks together with shared norm, values and understandings that facilitate cooperation within or among groups”. Within this definition there are broadly two varieties of social capital: ‘vertical’ (‘bridging’ relationships between individuals and wider social groups and institutions) and ‘horizontal’ (‘bonding’ relationships within local social networks). Social capital thus refers to both levels of trust in society, institutions and social groups (vertical/bridging) and the strength of people’s direct social connections, with family, friends and associations (horizontal/bonding).

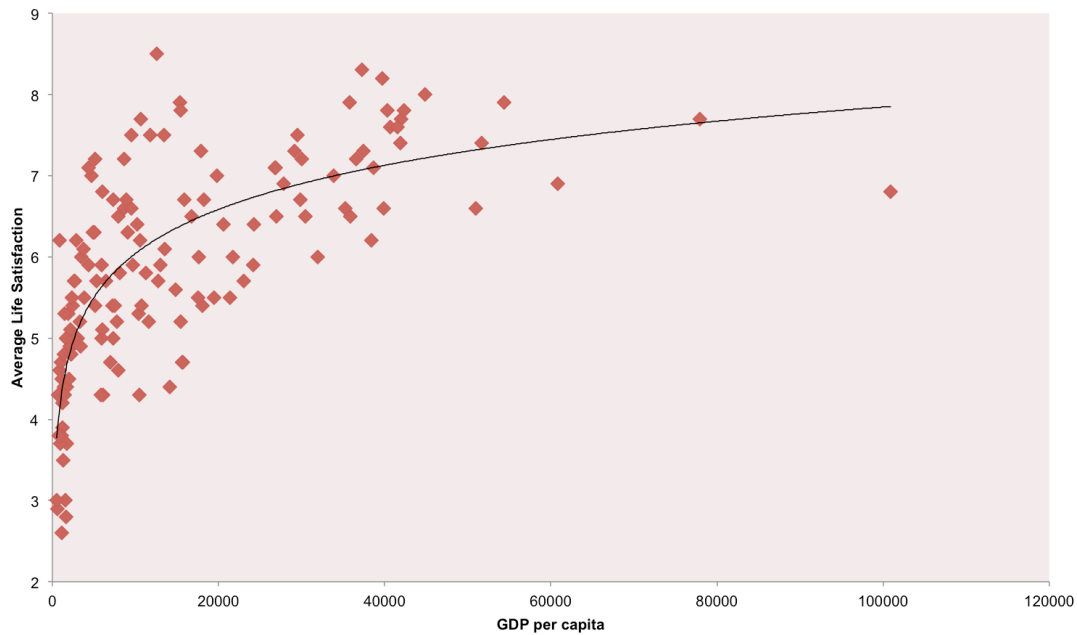
There is a wide range of theories about how welfare states influence social capital. On the one hand, Kumlin and Rothstein (2005) state that

numerous theorists – especially from liberal welfare states – argue that high welfare expenditure undermines social capital by ‘crowding out’ voluntary norms of mutual assistance and reciprocity. However, the same authors show that universalistic social policies are associated with higher social capital. This is line with trends in the US (Putnam, 2000) and growing concerns in the UK of a ‘crisis’ of social capital, evidenced by a decline in generalized social trust (Larsen, 2012). This has led to an emerging school of thought that the neoliberal era is the cause of this decline (Davies, 2012), with new political ideas – such as ‘Big Society’ and ‘Blue Labour’ – attempting to offer solutions to the UK’s social capital deficit (Sage, 2013).

DRIVERS OF INTEREST

There are numerous common threads driving increased attention in the well-being, health and social capital effects of social policies. Perhaps the most important is the doubt that rising incomes can bring about widespread health and social benefits. This is especially true vis-à-vis well-being. Layard (2005) for example argues that within societies the rich are happier than the poor yet, when societies are compared against each other, additional income is uncorrelated with higher well-being. This is evident in Figure 2.5, which shows the relationship between GDP per capita and life satisfaction in 142 countries. As is clear, the relationship between income and well-being ‘flattens out’ amongst richer countries, whilst other trends also cast doubt about the effect of income on happiness: relatively poor Latin American countries have similar well-being to west Europe, whilst east Europe has relatively low well-being compared to similarly rich countries.

Figure 2.5 GDP Per Capita and Life Satisfaction in 142 Countries



Sources: IMF (2014) for data on GDP per capita; World Database of Happiness (Reenhoven, 2014) for data on life satisfaction.

Figure 2.5 implies that higher GDP alone fails to raise happiness, more simply altering the distribution of happiness within a society. There is similar academic interest in the determinants of social capital. Larsen (2013) examined why four similarly rich countries had different patterns of social trust⁹, concluding that social trust is linked to people’s perceptions about the structure of society and level of inequality. Further, health differences between countries – such as life expectancy – are in some instances unrelated to GDP (Wilkinson and Pickett, 2010). These are sometimes disputed findings (for a review of well-being, see Di Tella and MacCulloch, 2006) yet have had a powerful influence on academics and policy-makers. As Tomlinson and Kelly (2013: 141) observe with well-being, research “has not

⁹ Sweden and Denmark have gone from being high trust countries to extremely high trust countries. Alternatively, the US and the UK have undergone the transition from high trust to low trust ones.

only provided evidence of the ‘American Dream’ turning sour for most income groups, but also potentially undermined the basic assumptions of economics”.

Further, a range of new movements share a common empathy towards the inclusion of health and social indicators into the policy-making process. Tomlinson and Kelly (2013) point to three such movements. First, the recognition of climate change as a serious global issue supports the idea that societies must find new ways of measuring human progress beyond economic growth. Second, ‘positive psychology’ counters the traditional focus of academic psychology on negative mental states by promoting positive ways of thinking and feeling (Robertson, 2013). Third, ‘behavioural economics’ (see Kahneman, 2011) casts doubt that the *homo economicus* model of human behaviour – rational self-interest – promotes positive social outcomes. Accounts of human nature from behavioural economists support a model of humans as motivated by cooperation, fairness and a concern for the thoughts of others. This has implications for whether existing policies can solve problems such as mental illness, obesity and low social trust. The alleged solution is to ‘nudge’ people’s behaviour towards better outcomes (Thaler and Sunstein, 2008; Dolan et al., 2010).

Finally, there is the pervading fallout of the financial crash, with Davies (2012) arguing that the health and well-being agenda is a component of a potentially radical shift in political economy: from neoliberalism to ‘neocommunitarianism’. In Davies’ (2012: 768) interpretation, alternative measures of policy progress are part of a wider critique of the limits of

neoliberalism, which has purportedly promoted an “atomistic, even nihilistic” society with harmful consequences, in which its prime vehicle – the market – cannot be trusted to deliver positive outcomes. Instead, policy should move away from marketized models of behaviour and alternatively promote “good choices which support a form of systemic equilibrium...at the level of *the body, the mind* (and) *the local community*” (Davies, 2012: 774, emphasis added). Since the 2008 crisis, a range of groups has been searching for an ‘heir apparent’ to neoliberalism. A focus on well-being, health and social capital is logically emerging as a potent weapon in the ideological struggle to challenge neoliberalism; it relegates income as the prime barometer of progress, emphasizes the ‘destructive’ nature of inequality and individualism and promotes a view of humans as inherently social and cooperative.

The Objectives of ALMPs

The first two sections of this chapter showed how there has been a fundamental reorganization of social security in the UK along the lines of ‘activating’ unemployed people by tying benefit receipt to labour market objectives. Common features of this reorganization are ALMPs: programmes that aim to move people closer to paid work. Simultaneously, the third section documented increased interest in alternative ways of measuring policy success around well-being, health and social capital. The final section links these two developments and introduces the central argument of the thesis: that, although the economic dimension of ALMPs dominates discussion, the social dimension – focusing on the three indicators above – is also of deep importance.

THE ECONOMIC GOALS OF ALMPs

One of the most commonly stated motivations by governments for the development and expansion of ALMPs has been labour market change: with relatively high and persistent youth and long-term unemployment, an increasingly flexible labour market and the growing dominance of the service sector. As such, the stated objectives of ALMPs are positioned in strong economic terms. Daguerre and Etherington (2009) outline seven goals of ALMPs, all of which are economic:

ALMPs enable the reconciliation of the objectives of balanced budgets with full employment goals (*objective one*). They hold the promise of reducing the number of income maintenance beneficiaries, in line with the aim of containing the growth of social expenditure and reducing public deficits (*two*). They foster non-inflationary growth (*three*). As ALMPs raise labour supply, they increase competition for jobs, which puts downward pressure on wages (*four*). They specifically aim to address the problem of skills or skills obsolescence (*five*). They increase the adaptability of the workforce... (and use the) untapped reserve of labour as workers can make smooth transitions between unemployment and employment (*six*). The 'active welfare state' makes sure (individuals) do not remain trapped in low-paid jobs, but have a real opportunity to move up the career ladder (*seven*). (Daguerre and Etherington, 2009: 6).

In this interpretation, ALMPs are presented as an economic 'cure-all': balancing budgets, reducing welfare expenditure, containing inflation, improving skills, increasing flexibility and reducing in-work poverty. Such economic objectives are present in other key UK policy documents, which refer to reducing claimant numbers (Gregg, 2008: 5), promoting sustainable employment (DWP, 2008b: 25) and supporting flexibility (DWP, 2010: 12).

But to what extent should economic objectives be the sole concern of ALMPs? Social policies – even ones like ALMPs, with strong economic objectives – do not exist in an economic vacuum, devoid of social context. As Fitzpatrick (2011: 218) notes: “while on the one level we are required to analyse the economics of the subject, the real controversies lie in the moral values driving the benefits system (and) what it says about us as a society”. Indeed, a closer examination of the government literature on ALMPs reveals a nascent concern with the non-economic objectives of policy.

THE SOCIAL GOALS OF ALMPS

The importance of the social dimension of ALMP is, beneath the dominant economic surface, evident in the UK policy literature, which demonstrates an interest in how ALMPs can address some of the harmful social effects of unemployment as well. These include social exclusion, low social capital, poor health, low well-being, lack of autonomy and a suspension of human-capital development. Theoretically, ALMPs ‘mediate’ these problems by requiring participation on work-related activity. Such activity can help people maintain a structure to everyday life and improve skills and confidence.

In a DWP review, Gregg (2008: 26) states that an important motivation behind ALMPs is scientific evidence on the harmful effects of unemployment, including “ill-health, reduced psychological well-being and suicide”. ALMPs can moderate these problems and adopt a broader purpose beyond the economic:

Labour market conditionality and associated support systems are now used much more than a simple tool to match the unemployed to available jobs and facilitate the smooth running of the labour market. Instead, they are a central component in the delivery of a range of policy objectives, including tackling child poverty, reducing inequality and promoting social inclusion. (Gregg, 2008: 22).

Gregg (2008: 23) subsequently argues that ALMPs can offset some of the social problems associated with unemployment: “imposing requirements will shape behaviour and mean (people) acquire new skills and habits that will improve both their own and their family’s life chances”. In support, Gregg (2008: 23) cites evidence related to the New Deals, which showed success in “improved jobseekers’ confidence and motivation...(and had) encouraged jobseekers to open up and overcome barriers such as with alcohol, drugs, basic skills and mental and physical health issues”. Recently, the UK Coalition government has cited similar objectives, aiming for an activation system that promotes “wider benefits for society in terms of better health outcomes, higher educational achievements and reduced crime” (DWP, 2010: 50). There is thus a parallel argument to the economic one: that ALMPs can solve social problems too. Deacon (2004) labels this a paternalist justification for activation: ALMPs are in the best interests of claimants and can improve the lives of unemployed people.

Equally, rather than being seen as mutually exclusive aims, the economic and social goals of ALMPs can be seen as reinforcing. Previous research has shown how re-employment is related to well-being, with Waters and Moore (2002) for example finding that unemployed people with lower levels of ‘latent deprivation’ were more likely to find paid work within six

months (see also Vinokur and Schul, 2002). Similarly, Claussen et al. (1993) and Zabkiewicz and Schmidt (2007) found that those with psychological conditions were less likely to obtain work, whilst Korpi (2002) found that ill-health increased the risk of remaining unemployed. Related to social capital, Schaufeli and VanYperen (1992) found that individuals involved in voluntary work were more likely to be re-employed, whilst Wanberg (2012) argues that reemployment is strongly linked to social capital and social networks. Expanding these arguments, Breidahl and Clement (2010) argue that social indicators should be evaluated as an intermediary ‘step’ between unemployment and reemployment. The central argument is that reemployment often occurs as a consequence of other factors, such as reducing ‘social marginalization’. Thus, assessing whether ALMPs improve the well-being, health and social capital of participants is not just important in its own right but also in terms of whether ALMPs provide the necessary ‘steps’ for people to find work.

The dominant focus of ALMPs however remains the economic effects despite the potential to mediate the health and social costs of unemployment. This is thus the main contention of this thesis: that despite this potential of ALMPs, the vast majority of existing research focuses exclusively on economic outcomes. As Breidahl and Clement (2010: 846) observe, “the common denominator for most evaluations is the focus on employment or self-sufficiency as the dependent variable”, a bias found in a wide range of evaluations since the 1990s (see Stanley et al., 1998; Heckman et al., 1999; Van Reenan, 1999; Martin and Grubb, 2001; Riley and Young, 2001;

Friedlander et al., 2003; and Greenberg et al., 2003). The central objective of this thesis is to move beyond the economic and examine the social dimensions of ALMP participation: to explore the extent to which such policies might (or might not) make unemployment a more bearable – and less miserable – experience.

Conclusion

This chapter has had four central objectives. First, it examined what activation systems and ALMPs entail. Here, it was argued that beneath a cloud of politicization, ALMPs are in essence programmes that unemployed people participate on to move them closer to paid work. These schemes exist on two dimensions – ‘pro-market’ and ‘human-capital’ – that give rise to fundamentally different ALMPs. Second, the policy context of ALMPs was explored. The primary purpose of this section was to document the powerful consensus around ‘activating’ social security systems by promoting labour market re-entry. The UK policy context was then examined, showing how the UK has been a leading ALMP innovator since the 1990s. Third, it was argued that as ALMPs have grown in importance, academics and policy-makers have turned their attention to new ways of measuring policy success. Rather than focusing on traditional economic outcomes, there is a growing interest in other objectives, including well-being, health and social capital.

The final section of this chapter linked these two developments to present the central contention of the thesis. Here, it was contested that the dominant focus of existing ALMP studies is overwhelmingly economic. This

is despite the growing focus on alternative policy outcomes and the acceptance in numerous UK policy documents that ALMPs have the potential to offset negative health and social effects associated with unemployment. Consequently, there is a lack of evidence about the extent to which ALMPs succeed – or fail – in mediating the negative social effects of unemployment. This is consequently the prime objective of this thesis: to explore and uncover whether ALMPs improve the social environment of unemployment. The next chapter explores this research question in more depth. It sets out to show what the social costs of unemployment are, why ALMPs might be expected to offset them and the extent of existing knowledge on the degree to which they do.

CHAPTER THREE

ALMPs: Mediating the Effects of Unemployment?

Chapter Two outlined how the primary aim of this thesis is to further an understanding of how – if at all – ALMPs mediate the relationship between unemployment and a range of negative non-economic outcomes commonly associated with it. The purpose of the present chapter is to elaborate on the prime research question in reference to the wider literature on unemployment. The review utilizes a wide range of disciplines, including social policy, sociology, occupational psychology and happiness/labour economics. It aims to summarize what the non-economic costs of unemployment are, why the empirical evidence base suggests ALMPs might act as mediating interventions for such costs and the extent of knowledge vis-à-vis their success in doing so. In examining existing evaluations on the non-economic effects of ALMPs, the ‘evidence gap’ is made clear and the original contribution of the thesis is put forward.

The organization of the chapter is as follows. The first section reviews the literature concerning the non-economic costs of unemployment. In doing so it, it argues that these costs can be related to the three outcomes of interest identified in Chapter Two: well-being, health and social capital. The second section proceeds to explore why ALMPs might be expected to offset these costs. This is a fundamental question for the study. Here, it is argued that whether ALMPs can act as mediating interventions depends on two vital conditions: (1) whether unemployment *causes* negative effects and (2)

whether this causal mechanism is *psychosocial*, as well as *material*. Evidence is presented that supports both propositions and the major theories that attempt to explain the non-economic costs of unemployment are explored. Finally, the third section reviews existing studies on ALMPs that explore the same, or similar, research questions. The limitation of these studies leads to a reiteration of the thesis' main research questions.

Unemployment and Health, Well-Being and Social Capital

Unemployment has long been an important subject of study since the early days of the social sciences. As a range of disciplines bonded by a commonly held interest in the emergence and workings of capitalism, early social science research was drawn towards the relatively new phenomenon of 'the unemployed': those excluded from 'labour markets' through the absence of paid work (see Janlert, 1997). Important questions included the function of unemployment within capitalist systems, the living conditions of unemployed people, policy responses to unemployment (such as the British Poor Laws) and the extent to which unemployment was an inevitable feature of capitalism: Karl Marx's 'reserve army of labour' (for a historical overview, see Garraty, 1978).

In the Great Depression era of the 1930s however, the onset of mass unemployment throughout Western Europe and North America led to an intensification of research into the lives of unemployed people. The emergence of mass unemployment – in which over a fifth of most industrialized countries' workforces were unemployed – changed the way

many people experienced unemployment, leaving marks on entire communities and lasting for prolonged periods of time. During the Great Depression, two studies assumed a strong resonance and legacy for the future of unemployment research. The first was *The Unemployed Man* (Bakke, 1933), a study of unemployment in south-east London, whilst the second was *Marienthal* (Jahoda et al., 1971): a ‘sociography’ of a small Austrian town left devastated by a factory closure written in 1931. These two studies set the tone for an expansion in sociological understanding of unemployment: a task that was later revived in the 1970s with the return of mass unemployment. By the twenty-first century, much had been learned about the social costs of unemployment, especially within the three categories of health, well-being and social capital.

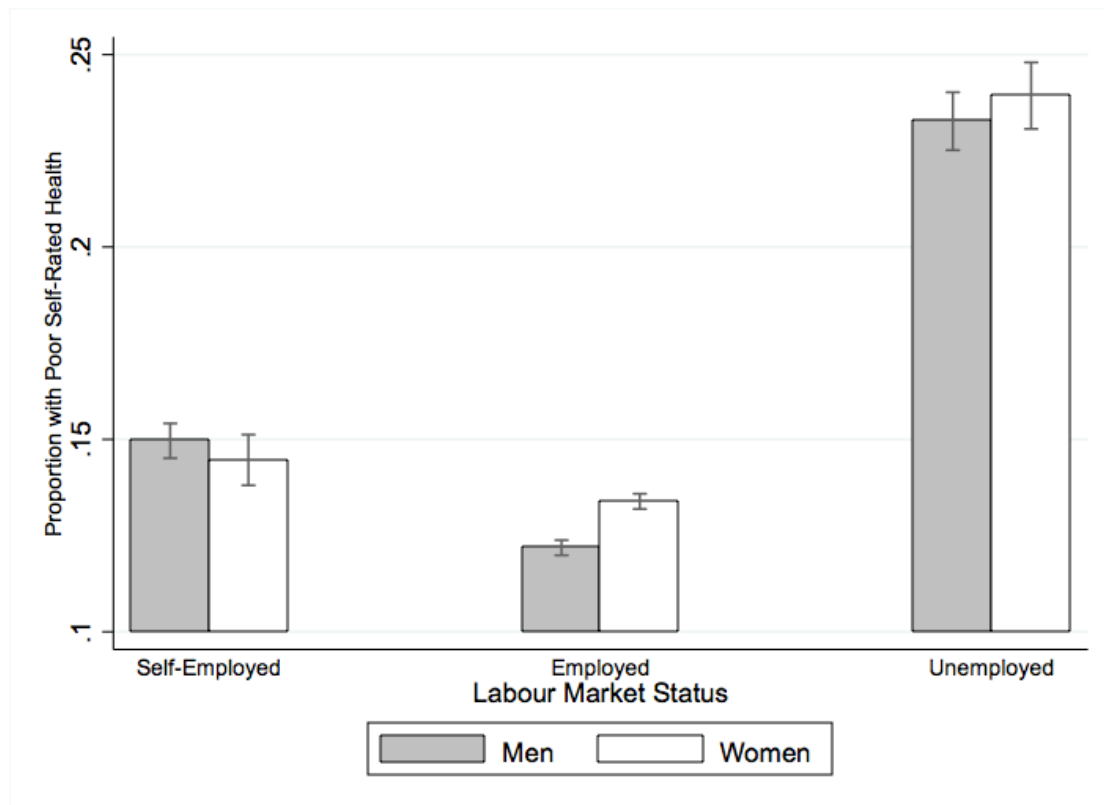
UNEMPLOYMENT AND HEALTH

Labour market status – including, for example, whether a person is employed or unemployed, working in a higher or lower occupational status or working a permanent or temporary contract – is now known to have a strong relationship with physical health. Important influences on health that derive from labour market status include occupational class, environmental hazards and the psychosocial nature of the workplace (Dollard and Winefield, 2002; Bambra, 2011). The quality of paid work has also been linked to health outcomes. Ferrie et al. (2002) for example found a significant link between perceptions of job insecurity and multiple health problems, such as self-reported morbidity and changes in blood pressure, whilst Broom et al. (2006)

found that poor quality, insecure jobs were associated with significantly worse health than less stressful jobs (see also Dockery, 2005)

With the exception of economic inactivity derived from disability and long-term illness however, unemployment is the most damaging labour market status associated with ill health. This can be seen in Figure 3.1, which shows perceptions of self-rated health between those in work (self-employed and employed) and unemployed people. As is evident, unemployed respondents are far more likely to report poorer health than people who are in work. Nearly a quarter of unemployed people report either fair, bad or very bad health, compared to 15 per cent or less of those in employment or self-employment. In addition to perceptions about one's own health, cross-national research by Stuckler et al. (2009: 315) found that rising unemployment was associated with increased physical violence. For every 1 per cent rise in the national unemployment rate, the authors found an associated 0.75 per cent rise in suicide and a 0.79 per cent rise in homicide, concluding that "rises in unemployment are associated with significant short-term increases in premature deaths from intentional violence". A similar finding was reported in a more recent UK study by some of the same authors (Barr et al., 2012). Studies at the national-level have also found associations between unemployment and mortality in Finland (Martikainen and Volkonen, 1996) and unemployment and parasuicide/suicide in the UK (Platt, 1986) and New Zealand (Blakely et al., 2003).

Figure 3.1 Proportion of People Reporting Poor Self-Rated Health by Labour Market Status¹⁰



Source: Pooled Annual Population Survey, 2011-2013.

Other studies have examined sub-samples of the population to further explore the relationship between health and unemployment. Like the *Marienthal* researchers, Keefe et al. (2002) examined the impact of factory closure on the health of those made in redundant in New Zealand. Like Stuckler et al. (2009), they found a significant increase in intentional violence: unemployment was associated with increased incidences of self-harm, hospitalization and mortality. Morrell et al. (1998) reviewed the literature on youth unemployment, finding heightened risk of suicide, high blood pressure and substance use of cannabis, alcohol and tobacco (see also

¹⁰ “Unemployed” in the Annual Population Survey refers to individuals who are unemployed under the International Labour Organization (ILO) definition. The ILO supports a measurement of unemployment that categorizes an unemployed person as anyone who is without paid work but is available for paid work and seeking paid work.

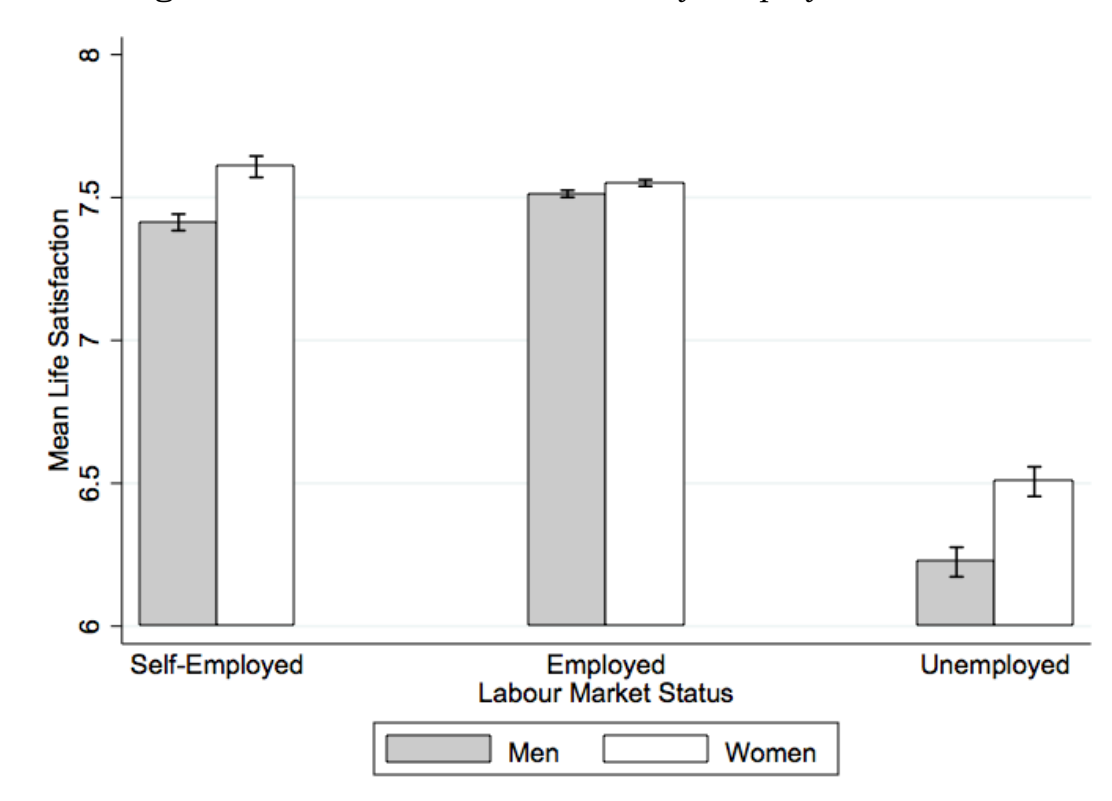
Kalousova and Burgar, 2014), whilst Morris et al. (1994) found increased mortality rates amongst a sample of middle-aged unemployed men compared to a control group in work. In a further contribution, Bartley and Plewis (2002) hypothesized that unemployment has a long-term, sustained impact on health: the so-called ‘scarring effect’. They found that prior unemployment was significantly linked to an increased risk of limiting long-term illness (LLTI) up to a whole twenty years after the incidence of unemployment. In summarizing the findings of a systematic review of 46 studies, Jin et al. (1995: 529) concluded that “the evidence suggests a strong, positive association between unemployment and many adverse health outcomes”.

UNEMPLOYMENT AND WELL-BEING

Evidence linking unemployment to low well-being – and related concepts, such as psychological distress, life satisfaction, feelings of shame and depression – is equally large and extensive. Similarly to Figure 3.1, Figure 3.2 for example shows how mean life satisfaction is considerably lower amongst unemployed people compared to those in employment. Beyond life satisfaction, perhaps the most rigorous survey measure of well-being is the General Health Questionnaire (GHQ), which Clark and Oswald (1994: 649) describe as “one of the most reliable indicators of psychological distress or disutility”. The GHQ is also a common measure of well-being and has been used extensively in large-scale panel studies such as the British Household Panel Survey (BHPS), in which respondents report on a wide range of dimensions related to psychological distress, such as poor concentration, loss of sleep, feelings of strain, confidence and feelings of unhappiness. There are

two key studies that examine the relationship between unemployment and GHQ using BHPS data. First, Clark and Oswald (1994) found that on average unemployed people had double the level of mental stress than those in paid work, with additional analysis finding unemployment more psychologically damaging than other distressing life events, such as divorce and separation. Second, Thomas et al. (2005) tracked individuals over seven years using the BHPS and found that the entry into unemployment was associated with an increase in mental stress, particularly within the first six months. Unemployment has also been linked to low well-being and psychological distress at the cross-national level (Catalano, 1991), as well nationally for example in Australia (Graetz, 1993), England (Shields and Wheatley Price, 2005), Ireland (Whelan, 1992) and Sweden (Björklund, 1985; Korpi, 1997; Isaksson et al., 2004).

Figure 3.2 Mean Life Satisfaction by Employment Status



Source: Pooled Annual Population Survey 2011-2013.

Similarly, unemployment has also been linked to depression and feelings of 'shame'. Jefferis et al. (2011) explored the relationship between unemployment and depression in a sample of seven European and Latin American countries. They found that unemployed people had a higher odds ratio of depression compared to those in paid work, concluding that "unemployed adults are at a particular risk for onset of major clinical depression and should be offered services or screened" (Jefferis et al., 2011: 1627). Other studies have similarly found a link between unemployment and depression (Bolton and Oatley, 1987; Montgomery et al., 1999; Broom et al., 2006). Relatedly, Eales (1989: 783) explored the prevalence of 'shame' amongst unemployed men, finding it to be a common experience tied up with feelings of "criticism, hostility, contempt, rejection (and) denigration". Crucially, Eales (1989) reported a close connection between feelings of shame and states of depression and anxiety, suggesting the likelihood of a causal relationship.

Further studies have examined how deep the impact of unemployment is on subjective well-being. The first method for doing so has been to examine the impact of long-term unemployment. Here, the evidence base is ambiguous. In an Australian study, Dockery (2005) reported findings that well-being deteriorated further the longer unemployment persisted (also see Winefield and Tiggemann, 1990; Daly and Delaney, 2013). However, other evidence (Warr and Jackson, 1987; Schaufeli and VanYperen, 1992; Clark and Oswald, 1994) points to a process of 'adaptation', in which well-being

recovers after the initial shock of becoming unemployed and that unemployed people with previous spells of unemployment suffer less psychologically (Clark et al., 2001). One area of research that is less ambiguous is that of the ‘scarring effect’. Using German panel data, Clark et al. (2001) found that employed people with prior experience of unemployment reported significantly lower well-being than those who had never been unemployed. In exploring both adaptation and the ‘scarring effect’, Lucas et al. (2004) argued that unemployment altered the ‘set point’ for life satisfaction. In this example, the ‘set point’ refers to the theory that individuals have relatively stable levels of well-being over the life course. In observing the same German panel data however, Lucas et al. (2004) argued that unemployment was a life event that could alter a person’s ‘set-point’. Contrary to previous findings by Warr and Jackson (1987) and Clark and Oswald (1994), Lucas et al. (2004) argued that unemployed people never fully recovered from the loss of life satisfaction associated with becoming unemployed (adaptation), whilst those who had been unemployed in the past reacted just as negatively to a second bout of unemployment (the scarring effect).

A number of meta-analyses have subsequently confirmed the consistency between these studies. Murphy and Athansou (1999) examined 16 longitudinal studies and found that most supported a link between unemployment and poor mental health, whilst a more recent review (McKee-Ryan et al., 2005) found a strong effect of unemployment on both mental health and life satisfaction. The most recent and extensive meta-analysis is Paul and Moser’s (2009) study of 237 cross-sectional and 87 longitudinal

studies. They found a strong overall effect size of unemployment on mental health on a range of indicators, such as distress, depression, anxiety, psychosomatic symptoms, subjective well-being and self-esteem. According to Wright (2013: 832), the evidence base on the negative psychological effects of unemployment has emerged as “one of the most robustly predictable findings in the history of social science research”.

UNEMPLOYMENT AND SOCIAL CAPITAL

According to Putnam (2000), social capital refers to “connections among individuals – social networks and the norms of reciprocity and trustworthiness that might arise for them”. It thus relates mainly to the social behaviour of individuals, such as whether people *participate in civic life*, such as voting and other forms of democratic behaviour; whether people are *active in associations* such as groups, clubs and organizations; and the strength of people’s *social networks* with family, friends and neighbours. Previous research has shown that unemployed people largely benefit from having stronger social capital whilst they are out of work. Franzen and Hangarter (2006) found that a substantial number of people report finding paid work via informal networks and that using social networks reduced the length of unemployment whilst simultaneously promoting entry into higher quality jobs. Related to coping with unemployment, Julkunen’s (2002) cross-national study in Northern Europe found that the degree of familial support was a strong determinant of social and material deprivation amongst young unemployed people, with a similar finding reported in Giuntoli et al.’s (2011) study of unemployment in Bradford.

However, empirical research has also shown how unemployment can negatively affect the social networks of unemployed people. The classic study *Marienthal* (Jahoda et al., 1972) was perhaps the first to examine the effect of unemployment on what is now known as ‘social capital’. Using mixed methods, Jahoda et al. (1972) studied around 500 families over a three-month period to demonstrate how unemployment excluded people from and damaged community life. Exclusion manifested itself in what academics would now recognize as a loss of social capital: fewer people used local clubs, societies and libraries; people were characterized by a sense of resignation and apathy; and many families were unable to apply any meaningful structure to daily life.

Although the language might be less recognizable to modern sociologists, Jahoda et al.’s (1972: i), description of unemployed people as “lonely and isolated, hopeless and passive” is applicable to recent empirical contributions to the social capital effects of unemployment. In relation to community life, Brand and Burgard’s (2008) longitudinal study of unemployment in Wisconsin showed how upon losing paid work people tended to participate less in social activities, local groups and organizations. Whilst the authors argue that there are numerous factors that underlie the loss of social capital amongst unemployed people, they make the case that the strongest determinant is the disruption unemployment brings about for the frequency and strength of social connections. Wanberg and Griffiths (1997) meanwhile found evidence to support Jahoda et al.’s view that unemployment led to problems with daily routine and structure, additionally suggesting that

failure to structure the day could lead to wider mental and physical health problems (also suggested by Feather and Bond, 1983 and Warr, 1987). Similarly linked to mental health, Bolton and Oatley (1987) examined the interaction between unemployment, depression and social support networks in a longitudinal study of unemployed men; they found that men in paid work had greater access to quality social and emotional support than unemployed men. Bolton and Oatley (1987) also reported a significant interaction between social support networks and depression: unemployed men with weaker social support networks were more likely to report feeling depressed.

The evidence presented in this section is consistent in showing that unemployment has a strong and significant effect on a range of non-economic outcomes related to health, well-being and social capital (see Bartley, 1994 for an earlier review). Compared to those in paid work, unemployed people are more likely to report worse physical health, as shown in studies that demonstrate a link between unemployment and higher mortality, self-harm and suicide. Further, unemployment is associated with multiple dimensions of low well-being, such as life satisfaction, psychological distress (GHQ), depression and shame. Finally, studies also suggest a link between unemployment and features of low social capital, such as poor time structure, weak social support and low levels of community engagement.

What Role for ALMPs?

ALMPS AND MEDIATING UNEMPLOYMENT

This evidence cited above is the starting point for the central research objective of the thesis: to explore whether interventions that alter the experience of unemployment – such as ALMPs – are able to mediate some of its negative effects. However, whether ALMPs can achieve this is dependent upon two further conditions. The first condition is whether or not unemployment independently causes negative social outcomes: a debate between the ‘causation’ and ‘selection’ hypotheses. In short, this debate concerns the extent to which unemployment acts as an independent, causal factor in creating the effects and problems outline above (‘causation’) or, alternatively, whether unemployed people are predisposed to such problems in the first place (‘selection’).

This is a fundamental concern for the rationale and validity of the research question. If unemployment causes negative social outcomes, it logically follows that there is something harmful and damaging about the environment of unemployment itself. Consequently, interventions that transform this environment – like ALMPs - may mitigate its negative effects. Alternatively, if unemployed people are predisposed to health and social problems irrespective of their labour market position, then unemployment – and its associated environment – is not necessarily the problem. Focusing on altering the unemployment environment via a mechanism like an ALMP is thus unlikely to be successful. For example, if unemployment is the ‘root

cause' of low subjective well-being, then the 'treatment' – an intervention focused on altering the experience of unemployment – is more likely to be successful than if the 'root cause' is something else.

In the selection-causation debate, there is evidence in support of both hypotheses; this suggests that health and social problems lead to unemployment for some people, whilst for others are a consequence of losing work. On the one hand, Schaufeli and VanYperen (1992) found evidence for selection in their study of Dutch technical college graduates. They found that graduates with lower levels of psychological distress were significantly more likely to find work post-graduation and that students with low well-being were more likely to become unemployed. For such individuals then, it is unlikely that ALMPs would be too effective: the root cause of distress appears to go beyond that experienced through and brought about by unemployment.

However, as Schaufeli and VanYperen (1992) admit, these findings are contrary to most of the evidence on selection effects, which has tended to find strong evidence supporting the alternative view: that unemployment independently causes negative outcomes. This was a specific concern for Murphy and Athansou (1999) in their meta-analysis of longitudinal studies, which found that the transition into unemployment was associated with heightened distress and that re-employment resulted in reduced distress (a similar finding to Kessler et al., 1989; for a review see Waddell and Burton, 2006: 17-20). In summarizing their larger meta-analysis, Paul and Moser (2009) contend that their "findings endorse the assumption that

unemployment is not only correlated to distress, but actually causes it”, with a similar conclusion offered in a review by Wanberg (2012). Evidence of a causal function for unemployment has also been linked to depression (Montgomery et al., 1999; Jefferis et al., 2011), physical health (Kasl et al., 1975; Morris et al., 1994; Korpi, 2001), psychological distress (Thomas et al., 2005; Daly and Delaney, 2013), social support (Bartley, 1994), self-harm (Keefe et al., 2002), suicide (Blakely et al., 2003) and detrimental health behaviours (Janlert, 1997; Arcaya et al., 2014).

This evidence suggests that the environment of unemployment in itself is likely to cause specific health and social problems. Consequently, interventions like ALMPs that change this environment could be able to mediate some of the problems caused by being unemployed. This is the first necessary condition in support of the thesis’ central argument. The second condition examines this causal function by exploring the pathway that leads from unemployment to negative outcomes. The key question here is as follows: if unemployment does have a causal effect on health, well-being and social capital, then why is this case?

This is an equally fundamental condition with, again, two plausible answers. The first is that unemployment causes social problems through a *material* pathway. In other words, the majority of unemployed people have relatively low incomes and many more simultaneously endure poverty¹¹; in

¹¹ Unemployment is not always accompanied by poverty, especially in the more generous welfare states of north-west Europe. However, due to the low level of

this pathway, it is a lack of material resources that is responsible for the health and social effects of unemployment. Alternatively, the second possibility is that unemployment is damaging because of its *psychosocial* environment. In this sense, there is something qualitatively harmful about unemployment irrespective of income and other material factors. This is a fundamental question for ALMPs because in many instances they do not increase participants' incomes¹²; as a result, positive effects of ALMPs will be largely based around any change in the psychosocial environment of unemployment. If unemployment is negative due to material factors, ALMPs will be largely ineffective.

Again, the evidence base is mixed: suggesting that the effects of unemployment stem from both material and psychosocial roots. On the one hand, there is an undoubtedly strong and large evidence base linking many of the problems associated with unemployment to the effects of low income and poverty (see Bartley, 1994: 334 for a review). Benzeval and Judge (2001) for example examined the relationship between poverty and poor physical health using longitudinal British data; they concluded there was evidence for a causal relationship, with low income directly causing poor health outcomes. Brown and Moran (1997) explored the impact of financial hardship on depression in lone parents: finding that lone parents were twice as likely as

benefits in the UK, "the experience of long-term unemployment almost guarantees living in poverty" (Wright, 2013: 833).

¹² There are a few exceptions to this rule. Many countries provide temporary job placements for unemployed people, often payable at a minimum wage. These kinds of ALMPs are more common during times of high unemployment as a means of 'occupying' the long-term unemployed and increasing skills. An example in the UK was the Future Jobs Fund, which provided long-term unemployed young people with six months work paid at the NMW.

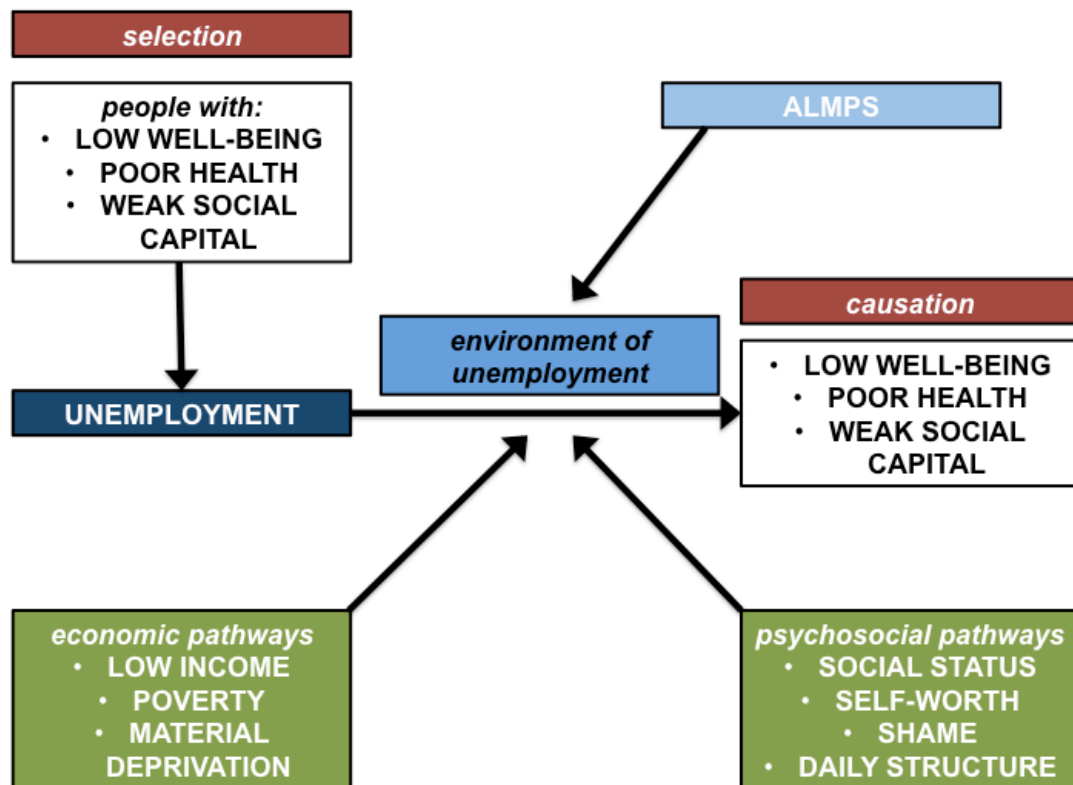
others to experience both low income and depression, with financial hardship linked to a higher risk of having a chronic episode. Related to social capital, the low income associated with unemployment raises the cost of social participation (Adelman et al., 2000: 59-67). In summarizing the evidence base, Coutts (2009: 10) argues that poverty “engenders health disadvantages through direct material pathways”. In addition to low income, these pathways include poor housing conditions and poor nutrition.

However, other research points to a role for psychosocial factors in bringing about negative effects, as opposed to solely material determinants like low income. This debate was tackled by Winkelmann and Winkelmann’s study (1998), which sought to disentangle the economic and non-economic costs of unemployment. The authors found that unemployed people suffered a loss of life satisfaction irrespective of income, concluding that a major part of the deleterious impact of unemployment was non-pecuniary in nature: “employment is not only a source of income but a provider of social relationships, identity in society and individual self-esteem” (Winkelmann and Winkelmann, 1998: 1). Similarly, Blakely et al.’s (2003) study of suicide and unemployment in New Zealand found that financial stress was an extremely weak predictor of suicide instances amongst unemployed people. Finally, in a cross-national European study Eichhorn (2014) found that the generosity of national unemployment benefits did not explain variation in the subjective well-being of unemployed people. The material value of benefits was thus unrelated to the relative happiness of unemployed claimants, suggesting that other facets of unemployment were more important for understanding trends in well-being (see also Ervasti and Venetoklis, 2010).

Similar findings on income, unemployment and psychosocial factors have been reported by Harparz (1989), Evans and Haworth (1991), Gallie and Vogler (1994), Nordenmark and Strandh (1999) and Creed and Macintyre (2001).

Taken together, such evidence suggests that although the negative effects of unemployment are intensified by material deprivation, there is simultaneously a powerful influence of non-economic, psychosocial factors such as loss of social status and social isolation. Both material and psychosocial factors appear to be linked to health and social problems. At least in part then, it is likely that unemployment has a *causal, psychosocial effect* that results in a range of health and social problems: unemployment is often the root cause of such problems and these are shaped both psychosocially and materially. This argument is vital for understanding why ALMPs have the capacity to mediate the negative effects of unemployment. The fact that such effects are independently shaped by unemployment via a psychosocial pathway means that ALMPs – as interventions that use work-based activities to change the environment of being unemployed – have the capacity to modify the unemployment situation. This is demonstrated by the model in Figure 3.3. Here, some unemployed people are predisposed to health and social problems ('selection'), whilst others experience them as a consequence of the environment of unemployment ('causation'), which is in turn influenced by 'economic pathways' and 'psychosocial pathways'. ALMPs can modify this negative environment by mediating the psychosocial effects associated with it.

Figure 3.3 A Model of Unemployment



THE PSYCHOSOCIAL ENVIRONMENT OF UNEMPLOYMENT

Whilst empirical research into the psychosocial consequences of unemployment is vast, there are only a small number of attempts to theorize about why unemployment is so often destructive in health and social terms (Jahoda, 1982; Fryer, 1986; Warr, 1987; Ezzy, 1993). Most of these accounts derive from social psychology and perhaps the most influential theoretical account in this tradition is Jahoda’s (1982) theory of ‘latent deprivation’. In short, Jahoda argued that paid work fulfils two sets of needs for individuals: ‘manifest’ functions and ‘latent’ functions.

Manifest functions refer to the more obvious, material benefits of employment, such as income and financial security. Alternatively, latent functions refer to the side effects of paid work that are, according to Jahoda, conducive to positive human functioning. Jahoda contended that there were five latent functions of paid work: (1) time structure; (2) social activity; (3) collective endeavour; (4) regular activity; and (5) status and identity:

An analysis of employment as an institution makes it possible to specify some broad categories of experience, enforced on the overwhelming majority of those who participate in it: the imposition of a time structure, the enlargement of the scope of social experience into areas of life less emotionally charged than family life, participation in a collective purpose or effort, the assignment by virtue of employment of status and identity and required regular activity. (Jahoda, 1982: 59).

Jahoda's fundamental contention was that the latent functions associated with unemployment had become "psychological requirements" in modern societies. Consequently, unemployment was an experience that deprived individuals of these requirements and was thus likely to produce harmful effects. Jahoda argued that other social institutions were able to fulfil the latent functions but that in modern industrialized societies, employment was perhaps the sole institution to do so and certainly the most dominant. Ezzy (1993: 44) believed Jahoda's theory was extremely important in understanding why unemployment was harmful irrespective of income: "the negative psychological effects of unemployment can be therefore explained as a result of the individual's exclusion from an institution which meets basic psychological needs".

Latent deprivation theory has subsequently been critiqued and revised by a number of social psychologists. Although in praise of Jahoda's contribution, Ezzy (1993) argued that it was too simplistic; it failed to explain, for example, variation in people's experiences of unemployment, whilst simultaneously romanticizing the view that 'any job is better than no job'. Warr's (1987) 'vitamin model' addressed some of these limitations by expanding Jahoda's theory. Warr (1987) argued that just as certain vitamins were associated with good health, there were similar 'environmental vitamins' that were conducive to positive human functioning. Warr (1987) listed nine such vitamins: opportunity for control, opportunity for skill use, externally generated goals, variety, environmental clarity, availability of money, physical security, opportunity for interpersonal contact and valued social position (quoted in Ezzy, 1993: 45).

Warr's prime revision of Jahoda is that it is 'vitamin deficiency' – as opposed to lack of latent functions – that results in higher levels of health and social problems amongst unemployed people. Unemployment is associated with a situation in which certain 'environmental vitamins' are depleted in stock or absent. Unemployed people are less likely, for example, to have opportunities for personal control or skill use, adequate money or a valued social position. Arguably, Warr's vitamin model has a stronger explanatory power than Jahoda's deprivation theory. It helps explain why 'bad work', such as stressful or monotonous jobs, might result in as much distress as unemployment. Simultaneously, it explains why some people are more resilient to unemployment than others: "the explanation of different levels of

mental health among unemployed people in terms of different environments goes well beyond Jahoda's dichotomous characterization of work and unemployment" (Ezzy, 1993: 46).

A third, more distinct theory is associated with David Fryer's (1986) critique of Jahoda's deprivation model, which argued that Jahoda saw unemployed people as passive actors, responding mechanistically to external social and economic stimuli as opposed to perceiving unemployment in particular ways themselves. Fryer challenges this view with his "agency restriction model", which states that unemployment is deleterious because of the constraints it places on personal agency, planning and autonomy. Fryer argues that unemployment makes it problematic and complex – or even impossible – for individuals to exercise their agency:

For an active, interpreting, striving, questioning agent to be in a situation which requires striving against overwhelming odds, trying to interpret events and feelings which are exceedingly complex and convoluted, trying to solve problems never anticipated by developing skills never dreamed might be required, asking questions previously ignored whose answers are elusive and, where glimpsed, depressing, would be an extremely demanding, deflating and far from elating experience. (Fryer, 1986: 16).

In an empirical study, Fryer and Payne (1986) test the theory and show that 'proactive' unemployed people – those who "take the lead, initiate and intervene in situations to bring about change in valued directions rather than responding to change passively" (quoted in Ezzy, 1993: 47) – were immune from the harmful effects of unemployment. They argued that unemployment affected those who were thus unable to maintain their roles as "active social agents".

Finally, Ezzy's (1993) concept of "status passage" emerged from a sociological critique of Jahoda, with Ezzy (1993: 44) arguing that the theory of latent deprivation ignored the "interpretive process of individuals undergoing the experience of becoming unemployed". In contrast to Jahoda, Ezzy emphasizes the meanings the unemployed attribute to work and non-work; it is these meanings, and the negative social status constructed around them, that create the harmful social environment of unemployment, rather than the objective experience of day-to-day unemployment as suggested by Jahoda. Unemployment is thus not an inherently unpleasant experience: it is made and constructed as unpleasant by the social meanings people attach to it. Ezzy advances this argument by describing the transition to unemployment as a "status passage" in which individuals move from a valued position in the social structure – "worker" – to an unvalued one – "unemployed". Ezzy argues that his theory addresses the limitations of both Jahoda's structural explanation and Fryer's individualized one. Status passage, he argues, is about the interplay between a person's objective social environment and the subjective interpretation they attach to it. However, although the theories from Jahoda, Warr, Fryer and Ezzy utilize different conceptions of the unemployed individual, they all share the view that unemployment is harmful because it fails to fulfil specific psychosocial needs: either related to work itself (such as time structure) or to personal autonomy and agency (such as identity legitimation).

As this section has shown, unemployment is not only related to health and social problems but often appears to cause them. Further, and crucially for the purpose of this thesis, the causal pathway that underpins the harmful effects of unemployment is partly psychosocial in nature: a pathway that theories from social psychology and sociology help explain. Such theory and empirical evidence implies that a qualitative change in the environment of unemployment may mitigate some of its negative consequences. ALMPs – as interventions that often achieve this change – may prove beneficial for unemployed people.

Evidence on ALMPs

THE WELFARE STATE AND UNEMPLOYMENT

If the particular environment of unemployment shapes the experience of being unemployed, then it follows that there are certain mechanisms (such as welfare state institutions) and demographic characteristics (such as age or education level) that are associated with a modification of and variation in this environment. Some of these characteristics and mechanisms have been identified by academics, with strong evidence that there are multiple ways in which the effects of unemployment are mediated and eased. As implied above, some of these mechanisms are economic: socio-economic class, financial security and income have been shown to shape how people experience unemployment. Nordenmark and Strandh (1999) for example found that people with a lower economic need for employment experienced less of psychological blow from becoming unemployed (see also Ervasti and Venetoklis, 2010). Additionally, individual demographic traits – such as

gender, education level and occupation – are known to be important mediating variables (McKee-Ryan et al., 2005; Paul and Moser, 2009), as are national and regional levels of economic development and local labour markets (Clark, 2003; Grözinger and Matiaske, 2004; Di Tella and MacCulloch, 2006; Chadi, 2011; Eicchorn, 2013).¹³ Further, Gallie and Paugam (2000) argue that social networks like families have a fundamental bearing on unemployment, suggesting that job loss is less damaging in the presence of strong familial networks.

Social security policies are a further way in which the experience of unemployment is shaped by social conditions. In broad terms, social security acts in three different ways to influence how individuals experience unemployment. The first way is through the nature of social security coverage and the extent to which the population is insured against job loss. Coverage is generally determined by two qualifications: (a) eligibility for benefits and (b) eligibility for specific types of benefits. As Gallie and Paugam (2000: 4) argue, whether a person is entitled to benefits and, if so, what type of benefit they receive are important influences on unemployment: “the higher the reliance on means-tested benefits, the greater may be the risk that unemployment will be stigmatic”. Alternatively, receipt of contributions-based social insurance or generous universal benefits might present a

¹³ Paul and Moser’s (2009) meta-analysis showed that men and people in more manual occupations suffered more from unemployed compared to women and white-collar workers. Further, McKee-Ryan et al. (2005) demonstrate that younger unemployed people suffer more than older people. Both Grözinger and Matiaske (2004) and Chadi (2011) show that unemployment is more harmful for well-being when local unemployment rates are higher, although other evidence suggests the opposite result (Clark, 2003; Di Tella and MacCulloch, 2006). Eichhorn (2013) shows that unemployed people in more affluent countries suffer a lower drop in life satisfaction than those in poorer countries.

stronger sense of social status, desert and self-esteem, with less demoralizing consequences for losing work. This is a case also made by Kumlin and Rothstein (2005) in relation to social capital. Here, the authors argue that universalistic welfare state programmes are far more effective in enhancing indicators of social capital, such as social trust, compared to targeted, means-tested programmes. The basis on which an intervention is delivered, then, may have consequences for the lives of its recipients.

The second way in which the welfare state socially constructs the experience of unemployment is through the level of remuneration. Benefit replacement rates vary significantly across welfare states; according to Palme (2006), net replacement rates for unemployment insurance in OECD countries vary from almost 80 per cent in Sweden to just over 20 per cent in the UK. It is plausible therefore that higher replacement rates achieve two objectives: (a) the ability to maintain a decent standard of living and (b) protection against the loss of social status associated with unemployment and the perception that unemployment is a status worthy of punishment and destitution.¹⁴

The final way in which social security policies mediate the experience of unemployment is through ALMPs and other activation measures. In this sense, ALMPs rearrange the structure of unemployment by enrolling unemployed people on to a variety of programmes. Based on the evidence and theory discussed above, there is clearly a potential for the restructuring of

¹⁴ As suggested however, empirical evidence on the effects of benefits on the well-being of the unemployed is mixed (McKee-Ryan et al., 2005; Eicchoron, 2013).

unemployment inherent in ALMPs to result in different experience of being unemployed. ALMPs such as work experience schemes, community programmes, training courses, education and personalized employment assistance generally provide a significantly different day-to-day experience compared to the alternative of 'open unemployment'.

Perhaps the first, forceful articulation of this view was put forward by Strandh (2001), although a hypothesized link between ALMPs and better health outcomes was outlined in a *Lancet* editorial in 1993 (Smith, 1993). Strandh (2001) however, in observing the increased use of ALMPs in Scandinavia, noted that ALMPs could potentially reverse some of the negative effects of unemployment. Strandh (2001) argued that this was because ALMPs:

First, create a life situation that, although not economically more advantageous, is very different from that of open unemployment. In fact, this life situation should even have a few characteristics in common with the typical psychosocial characteristics of the employment situation: time structure, social contacts, participation in collective purposes, status and identity, and regular activity. If this is indeed the case, we can expect ALMPs measures generally to reduce the psychosocial need for employment. Second, these measures are intended to increase the competitiveness of the unemployed. If the unemployed perceive their competitiveness as having increased, this should lead to a perceived increase in their ability to control the right course. (Strandh, 2001: 61).

Thus, Strandh (2001) draws attention to two ways in which ALMPs might support a more positive experience of unemployment. The first is linked to matching the psychosocial functions of paid work, as identified by Jahoda (1982). This is a case similarly made by Wulfgramm (2011), who considered how ALMP participation compared with both (a) regular paid work and (b)

open unemployment (i.e. non-participation in an ALMP). Wulfgramm (2011) argued that a German scheme – the ‘One Euro Job’ programme – was in some respects equal to paid work vis-à-vis psychosocial needs, such as time structure, regular activity and social contact and participation. Likewise however, ALMPs are unequal to paid work in other respects, such as control of economic matters and social status. Thus according to this schema it might be expected that ALMPs promote better health and social outcomes than open employment but worse outcomes than paid work. Akin to Jahoda’s (1982) theory, Warr’s (1987) similar but more expansive vitamin model also predicts positive effects of ALMPs. To recall, Warr (1987) listed nine ‘vitamins’ conducive to positive functioning; some of these – such as opportunity for skill use and interpersonal contact – might be more accessible to unemployed people on ALMPs than those who are not. Similar arguments related to ALMPs and the ‘latent functions’ of work have been made by Oddy et al. (1984), Andersen (2008), Breidahl and Clement (2010) and Hoare and Machin (2010).

The second way in which Strandh (2001) argues that ALMPs might produce more positive effects is through bringing about a stronger sense of hope and control for participants. This is an argument more closely linked to the theories of Fryer (1986) and Ezzy (1993). Fryer (1986) for example argued that unemployment was harmful because it restricted the capacity of unemployed individuals to perceive of themselves as active, autonomous agents. ALMPs, by imparting a stronger sense of personal control over the unemployment situation, may bring about some positive outcomes. This

might be especially true of ALMPs like the UK FJF and German One Euro Jobs that offer added financial rewards for participation. Similarly, Ezzy (1993) argued how unemployment was part of a transitional “divestment passage” into a different part of the social structure that compromised a person’s self-identity. Arguably then, ALMPs can constitute an alternative transition into a more positive part of the social structure - an “re-integrative passage” – that may compare positively with open unemployment.

Table 3.4 shows a descriptive breakdown of how open unemployment, ALMPs and regular employment compare in relation to the psychosocial functions outlined by Jahoda (1982), Fryer (1986) and Ezzy (1993). It is important to note that these represent ideal types and are far from true for all people who experience unemployment, ALMPs or work. Some people, for example, may welcome unemployment as liberation from unhappy employment. Nevertheless, Table 3.4 makes it possible to develop hypotheses about the health and social effects of ALMPs. Compared to open unemployment, for example, ALMPs might offer participants more opportunities for social interaction and regular activity. They do not however necessarily confer a higher social status (although there might be a stronger claim to be ‘contributing’ due to enhanced training or volunteering efforts) and not all ALMPs involve daily, structured activities. Similarly, very few ALMPs offer higher rewards for participation, although they may present participants with a greater sense of hope and control for the future. Finally, whereas open unemployment constitutes a “divestment passage” into an unwanted part of the social structure, ALMPs can be seen as a “re-integrative

passage” into a new role, with added meaning and the acquisition of a new identity.

Figure 3.4 Ideal Psychosocial Functions of Open Unemployment, ALMPs and Regular Employment

Adapted from Wulfgramm (2011)

Psycho-social functions	OPEN UNEMPLOYMENT	ALMPs	REGULAR EMPLOYMENT
<i>time structure</i>	Lack of daily structure	Mixed experiences	Structured day
<i>social activity</i>	Low (economic costs/low opportunities)	More opportunity for social interaction	High levels of social interaction
<i>collective endeavour</i>	Minimal (weak opportunity to be part of collective purpose)	Mixed (potential opportunities to work with others)	Participation in a collective purpose
<i>regular activity</i>	Low (lack of tasks, skill use)	Chance to engage in tasks/use skills	Daily activities and tasks
<i>status and identity</i>	Loss of social status; lack of work identity; stigma.	Claim to be 'contributing'; focus on training/working	Valued social status ('worker'); claim of contribution.
<i>financial control</i>	Benefit reliance	Benefit reliance (rarely higher)	Financial independence
<i>control over life course</i>	Life uncertainty	Uncertain but more hope/control	Sense of control/certainty over future
<i>status passage</i>	'Divestment passage' <ul style="list-style-type: none"> • Failure to maintain a social role • Struggle to find meaning • Acquisition of negative identity • Uncertain future 	'Re-integrative passage' <ul style="list-style-type: none"> • New social role • More meaning to everyday life • Acquisition of new identity to 'open unemployment' • More hope for the future 	'Integrative passage' <ul style="list-style-type: none"> • Positive social role ('worker') • Sense of meaningful life • Acquisition of positive identity • Security and long-term plan

EVIDENCE ON THE HEALTH AND SOCIAL EFFECTS OF ALMPS

Research into the health and social effects of ALMPs is relatively limited, especially given the wealth of evidence on the non-economic costs of unemployment. This was noted by Wulfgramm (2011: 478), who argued that although “the large drop in life satisfaction due to unemployment prompted the call for governments to alleviate this negative effect, evaluations of ALMPs tend to *exclusively concentrate on more tangible outcomes such as the re-employment rate*”. Addressing this gap in knowledge – of whether ALMPs mediate the health and social costs of unemployment – is the primary motivation for this thesis.

However, the existing evidence base on the health and social effects of ALMPs suggests that there is a generally positive effect. There are important caveats, however, and the broader picture remains mixed and unclear. Perhaps the most rigorous and extensive research on ALMPs has been focused on two similar interventions: the vocational rehabilitation Työhön (Finland) and JOBS (USA) programmes. Both ALMPs were one-week programmes that aimed to enhance job search skills and promote better coping strategies with unemployment. Coutts (2009; 20) summarizes the extensive evaluations of the Työhön and JOBS programmes and finds that they were both successful in reducing psychological distress, promoting well-being and improving motivation and self-esteem (see Vinokur et al., 1995; Vinokur et al., 2000; Vuori et al., 2002; Vuori and Silvonen, 2005). The evaluations of both programmes were highly rigorous and employed the use of randomized control trials (RCTs).

In addition, there is a relatively large evidence base from Australia that utilizes the theories of Jahoda and Warr to examine the impact of ALMPs on unemployed people (Creed et al., 1998; Creed et al., 1999; Creed et al., 2001; Machin and Creed, 2003). These studies examine a range of ALMPs – such as skills training, personal development initiatives and cognitive-behavioural therapy (CBT) – and, like the Työhön and JOBS evaluations, find a generally positive effect of programme participation. For example, Creed et al. (1999) examined the effects of a three-day CBT programme designed to help young unemployed people cope more effectively with long-term unemployment using an RCT. The authors found a positive impact of participation on a range of well-being and social capital variables, such as psychological distress, self-esteem, positive affect and social support. Creed et al. (1999: 974) utilized Jahoda’s deprivation theory to explain their findings, arguing how “some latent functions normally provided by work were available (e.g. engaging in organized activities)”.

The remaining evidence on the health and social impact of ALMPs comes overwhelmingly from quantitative studies as well. At the cross-national level, there are a small number of studies that examine the non-economic effects of ALMPs. Firstly, Stuckler et al. (2009) compared 26 EU countries to explore whether government expenditure on ALMPs modified the relationship between unemployment and suicide. They found that when ALMP expenditure was higher than US\$190 per head of the population per year, the link between unemployment and suicide disappeared. Secondly,

Anderson (2009) examined whether ALMP expenditure was linked to three different indicators of social capital amongst unemployed people: frequency of social interactions, membership of organizations and perceptions of social isolation. Similarly to Stuckler et al. (2009), Anderson (2009) found a positive social effect of ALMP expenditure on the dependent variables, with a stronger impact for harder-to-reach 'labour market outsiders'. Thirdly, Wulfgramm (2014) examined whether ALMP expenditure was associated with higher well-being amongst unemployed people in Europe. Wulfgramm (2014) failed to find a positive effect of ALMPs, with benefit generosity playing a stronger role. At the national level, there is evidence of a positive ALMP effect on well-being for Finland (Vuori and Vesalainen, 1999; Juvonen-Posti et al., 2002; Saloniemi et al., 2014), Germany (Behle, 2005; Wulfgramm, 2011), Serbia (Bonin and Rinne, 2014) and Sweden (Hagquist and Starrin, 1996; Korpi, 1997; Strandh, 2001; Røjdalen et al., 2005); on health for Sweden (Westerlund et al., 2004) and Spain (Ayala and Rodriguez, 2013); and on social capital for Denmark (Andersen, 2012). However, there is also evidence that ALMPs offer no added health and social benefits compared to open unemployment. In relation to the effect on well-being and physical health, no significant differences between the two groups were found in Sweden (Arnetz et al., 1997; Westerlund et al., 2001; Reine et al., 2011), nor for social capital in Australia (Creed et al., 1998) and Denmark (Breibahl and Clement, 2010).

In the UK, there are three quantitative studies that examine the health and social effects of ALMPs. Oddy et al. (1984) explored whether government training schemes for young unemployed people had a positive

impact in terms of subjective well-being, depression, anxiety and self-esteem. The authors found that employment status was significantly associated with well-being, with employed school leavers reporting the highest levels of emotional stability. Importantly, participants in government employment schemes were found to occupy an intermediate position vis-à-vis well-being relative to employed young people and unemployed non-participants. Oddy et al. (1984) thus foreshadow similar findings (e.g. Wulfgramm, 2011) that suggest ALMPs constitute a ‘middle way’ between paid work and open unemployment. Alternatively however, Braithwaite and Garcia (1985) examined the effects of the same ALMP as Oddy et al. (1984) - the Youth Opportunities Programme – and found no effect of participation in reducing depression. The third UK study is Andersen’s (2008) analysis of the British Household Panel Study (BHPS), which found that “people participating in government training have higher subjective well-being than the unemployed” (457) and that the positive effects of participation lasted for up to a year after training had been completed. In addition to these three quantitative evaluations, there are five qualitative studies from the UK and Ireland that examine the health and social impact of ALMPs. The evidence from qualitative studies shows a more mixed picture, demonstrating that although ALMPs can provide a sense of purpose and self-esteem (Baines and Hardhill, 2008) and lead to improved pain management and healthy lifestyle behaviours (Joyce et al., 2010), they can also lead to negative emotions, often linked to perceptions of low programme effectiveness, weak personalization feelings of exploitation and lack of job guarantees (Delaney et al., 2011; Giuntoli et al., 2011; Stephens, 2012).

However, although the majority of studies tend to show a positive effect of ALMP participation, there are at least three question marks that existing research has raised in relation to an ALMP effect. The first relates to the duration of any positive impact of ALMPs. Most research tends to show a positive impact of ALMPs for current participants (e.g. Korpi, 1997), whilst evidence about how long ALMP effects last is ambiguous. For example, some studies have found that ALMPs can produce significant effects long after participation has ended. Vuori and Silvonen (2005) found that participation in the Työhön Job Search Programme was associated with reduced depressive symptoms and improved self-esteem up to two years after participation. Creed et al. (1999) produced a parallel finding for a similar type of Australian intervention. However, other studies suggest that the positive effects of ALMPs wear off over time. In the UK, Andersen (2008) found that although ALMPs had a continued effect for up to a year after participation, the strength of the effect faded over time. A lack of long-term effect was also found by Creed et al. (1998), Vuori and Vesalainen (1999) and Reine et al. (2011).

Secondly, there is a lack of understanding about whether different types of ALMPs produce different effects. The evidence base on ALMPs, summarized in Table 3.5, covers a wide range of different programme types, ranging from long-term work experience and training schemes to short-term psychological interventions. In addition, the context in which the evaluated ALMPs operate is highly variable; some programmes require mandatory participation whilst others are voluntary, some are targeted at particular sub-

samples of benefit recipients (e.g. young people) and some ALMPs offer added financial rewards for participation. There are only a small number of studies that directly compare the effects of different ALMP types. Strandh (2001) compared three different interventions in Sweden: vocational training and education, workplace participation in the regular labour market and general work experience and community programmes. The only positive effect found by Strandh (2001) was for workplace participation ALMPs, which he attributes to the ability of such programmes to more closely match the psychosocial functions of paid work, as well as promoting a stronger sense of improved job chances. Similarly, Vuori and Vesalainen (1999) compared guidance courses, subsidized employment and vocational training, finding that only the latter had a positive effect.

Thirdly, there is uncertainty regarding whether ALMPs work better or worse for different groups of unemployed people. Unemployed people encompass a broad demographic, differentiated by age, gender, education level, labour market experience and levels of mental and physical health. However, many studies treat unemployed people and ALMP participants as homogeneous groups in reporting average effect sizes as a whole. Such an approach generally ignores the possibility that ALMPs might work better for some types of people compared to others. Only a small number of studies attempt to determine whether there are differential ALMP effects and the findings of these studies are in some instances contradictory. Thus, Behle (2005) finds that there is a stronger ALMP effect for men (see also Vuori and Vesalainen, 1999) and the highly educated, whilst Røjdalen et al. (2005) and

Wulfgramm (2011) find the opposite vis-à-vis education level, with the latter also finding a weaker effect for older participants. Most of the evidence on the differential effects of ALMPs comes from RCTs in Australia and the USA, where research has found that participation is more strongly linked to positive outcomes for those with relatively high pre-participation levels of psychological distress (Vinokur et al., 1995; Creed et al., 1998; Creed et al., 1999; Vinokur et al., 2000; Creed et al., 2001; Machin and Creed, 2003). Anderson (2009) also found that higher ALMP expenditure had a larger impact on social capital for more disadvantaged ‘labour market outsiders’, whilst Saloniemi et al. (2014) come to a contrasting conclusion in the Finnish context: finding that ALMPs benefit the health and well-being of white-collar workers but are neutral or even damaging for blue-collar workers. With regards to these three areas in general, there is - as will be argued below – a strong need for more research. This is especially true in the UK context, where the evidence base on the non-economic effects of ALMPs is small in comparison to countries such as Australia, Finland, Sweden and the US. All referenced studies of ALMPs are summarized in Table 3.5.

AN ALTERNATIVE THEORY OF ALMPS

At this point, it is important to outline a valid, alternative perspective on ALMPs. This is that it is unclear and contestable, theoretically at least, that ALMPs – and broader processes of activation – will have a positive effect on people. Indeed, some critics have argued that ALMPs will have the opposite effect to that predicted above: i.e., that they will worsen the experience of unemployment and the social costs associated with it. This is sketched out by Wulfgramm (2011: 478), who argues that ALMPs “do not offer a high social

status or great financial freedom” and, coupled with feelings of coercion, could “convey a sense of lost control over the life course”. Consequently, ALMPs may have adverse effects on indicators such as self-esteem, life satisfaction and social capital. Similarly, Andersen (2012: 10), in examining ALMPs and crime, points to the possibility of negative ALMP experiences that may “increase the negative stimuli experienced through unemployment”. Anderson (2012) labels this hypothesis the “unintended consequences of labour market policies”. Where ALMPs are largely ineffective in achieving their prime aim of moving people into work, or involve negative interactions with staff and institutions, they may end up doing more harm than good.

A powerful sociological critique from within this more critical context comes from Cole (2007: 1135), who argues that theories such as Jahoda’s (1982) are predicated on an assumed, misguided and ideological interpretation of human nature: one that presumes paid work to be the “normal and default condition of adult male life and that the absence of work must therefore be problematic”. Cole (2007) argues that such theories – which are generally the basis for a hypothesized positive impact of ALMPs – are constructed around a normative, ideological agenda that constructs the glorified status of paid work and, simultaneously and inevitably, demonizes and stigmatizes unemployment. Cole (2007) believes that the positive facets of paid work have become a ‘moral truth’ that is in itself responsible for the observed, negative effects of unemployment:

Jahoda et al. reproduced a moral discourse of work that suppressed the material importance of poverty to a theory of psychological response; that

misread the activity of surviving unemployment as 'doing nothing'; that gendered the meaning of work...; that eulogized work as such and thereby marginalized non-work experiences. (Cole, 2007: 1145).

Table 3.5 Studies on ALMPs

Country	Outcome	
	Positive	No effect
UK	<i>Well-being</i> : Oddy et al. (1984); Andersen (2008)	<i>Well-being</i> : Braithwaite and Garcia (1985).
Australia	<i>Well-being</i> : Creed et al. (1998); Creed et al. (1999); Creed et al. (2001); Machin and Creed (2003)	<i>Social capital</i> : Creed et al. (1998).
Denmark	<i>Social capital</i> : Andersen (2012)	<i>Social capital</i> : Breidahl and Clement (2010).
Finland	<i>Well-being</i> : Vuori and Vesalainen (1999); Juvonen-Posti et al. (2002); Vuori et al. (2002: psychological distress); Vuori and Silvonen (2005)	<i>Well-being</i> : Vuori et al. (2002: depressive symptoms).
Germany	<i>Well-being</i> : Behle (2005); Wulfgramm (2011)	
Serbia	<i>Well-being</i> : Bonin and Rinne (2014) <i>Social capital</i> : Bonin and Rinne (2014)	
Spain	<i>Health</i> : Ayala and Rodriguez (2013)	<i>Well-being</i> : Alaya and Rodriguez (2013)
Sweden	<i>Well-being</i> : Harquist and Starrin (1996); Korpi (1997); Strandh (2001: workplace participation); Rödalen et al. (2005). <i>Health</i> : Korpi (1997); Westerlund et al. (2004).	<i>Well-being</i> : Strandh (2001: vocational training and work experience); Reine et al. (2011). <i>Health</i> : Arnetz et al. (1987); Westerlund et al. (2001); Westerlund et al. (2004).
USA	<i>Well-being</i> : Vinokur et al. (1995); Vinokur et al. (2000).	
Cross-national	<i>Health</i> : Stuckler et al. (2009). <i>Social capital</i> : Anderson (2009).	<i>Well-being</i> : Wulfgramm (2014).

Academic critics from within social policy have also argued that recent ALMP reforms are predicated on ideological foundations that serve to undermine unemployed people. For example, Dean (2003a) argued that welfare-to-work reforms in the UK hold the capacity to stigmatize unemployed people and further degrade the experience of being without paid work. For Dean (2003a: 696-702), ALMPs are established on an ideology of “post-emotionalism” – an “excessive self-seeking individualism” – that promotes a “welfare society...in which welfare dependency is stigmatized, personal responsibility is celebrated and social rights are strictly conditional”. ALMPs are thus based on specific moral assumptions about individual agency and responsibility that bear directly upon the experience of unemployment: “the assumptions that fuel popular beliefs and the decisions of policy-makers might be premised on myths but have *real effects* in so far as the recipients of welfare are cast in the popular imagination as either passive clients or artful dodgers” (Dean, 2003a: 705). Wright (2012: 322) makes a similar case, arguing that activation systems in general are based on misguided, dangerous assumptions about the agency and motivations of unemployed people. Subsequently, such systems have “bred stigmatization and othering by dismissing the structural causes of unemployment and ignoring involuntary individual constraints”. In summary, through their explicit and implicit ideological assumptions—especially regarding people’s motivation, behaviour and agency – ALMPs are said to further stigmatize unemployed people, re-commodify social security and enhance the stress associated with an already traumatic social experience.

However, there is limited empirical evidence exploring whether ALMPs lead to deleterious social outcomes. The quantitative evidence outlined above shows, in the main, a *positive* effect of participation, with no statistical studies showing a *negative* effect of ALMPs. However, qualitative evidence provides a more mixed picture and suggests that in certain contexts ALMPs can elicit negative effects, with a small number of qualitative studies demonstrating how processes of welfare reform have exerted new pressures on benefit claimants. Dwyer (2000) conducted a large number of qualitative interviews and focus groups with benefit claimants, investigating views and experiences of welfare reform and, in particular, conditionality. Although many participants agreed with conditionality in principle, a large minority remained opposed on the grounds that activation ‘demonized’ – or even ‘criminalized’ - benefit claimants. This was similarly suggested by Dean (2003b: 445), who found that welfare reforms had helped create a “culture of self-blame that could be potentially corrosive”: reforms were found to be “demotivating and counterproductive...(and) made life more difficult for (participants) to attain their goals and often constrained their ability to assess whether they were physically, mentally and emotionally ready for work”. Finally, in a qualitative study of disabled benefit recipients, Patrick (2011) found that many believed welfare reforms were ill-equipped and inappropriate in dealing with barriers to work. Like Dean (2003b), Patrick (2011: 318) argued that activation was dangerous: it “pressed a moral agenda that overplays individual agency to the neglect of structural inequalities” and was incapable of delivering a “more inclusive and socially just society”.

These approaches to ALMPs present an opposing theoretical standpoint to that explored in this chapter and emphasize the need for more empirical research. This is especially true of the UK, where (a) the evidence base is small and (b) there are profound debates regarding the pros and cons of ALMPs and activation. As Wulfgramm (2011: 479) argues, “the life satisfaction effect of the activation programme is ambiguous if merely discussed theoretically and needs to be tested empirically”. Drawing upon the above discussion, the final part of this chapter turns to the implications for the present study.

Research Implications

This chapter has demonstrated that there are strong theoretical reasons to expect participation in ALMPs to have a positive effect in reversing some of the health and social ‘costs’ of unemployment. Further, the existing evidence base on ALMPs suggests that – at least in certain contexts – there are benefits to taking part in ALMPs relative to the alternative of ‘open unemployment’. However, this chapter also explored an alternative body of theory and criticism that predicts a negative impact of ALMPs and activation systems. Thus, there is still a pressing need for continued research into the health and social effects of ALMPs. In addition, there are four fundamental limitations to the inferences that can be made from the evidence base summarized in Table 3.5. First, *there is a significant lack of evidence related to the UK ALMP context*. This is particularly true of the physical health and social capital effects of interventions. There are only seven studies that examine these dimensions of ALMPs, none of which are from the UK. In

addition, the majority of studies regarding subjective well-being tend to focus on ‘upskilling’ or ‘occupation’ ALMPs, as opposed to ‘employment-assistance’ ALMPs – such as the Work Programme – that dominate the UK activation landscape. Secondly, *the most robust and rigorous evidence on ALMPs tends to come from other advanced welfare states, such as Australia, Finland, Sweden and the US.* Such studies are characterized by the use of panel, longitudinal and experimental methods to examine issues related to causality and the long-term impact of participation. In respect of both limitations, it is difficult to generalize from such studies (whether in relation to physical health/social capital or causality) to the UK context. Labour markets and welfare state institutions vary significantly between different countries: what is known about the effects of a particular Finnish programme, for example, tells us little about the impact of UK schemes. Third, and as argued in the literature review, *question marks remain regarding the differential effects of ALMPs.* Such gaps in the evidence base relate to whether effects vary by qualitatively different types of ALMP, whether or not ALMPs work more or less effectively for different groups of unemployed people and how ALMPs compare with different varieties of unemployment. This limitation is about exploring how context affects the impact that ALMPs have for participants. Fourthly and finally, *there is little known about the pathways and meanings through which ALMPs produce positive or negative experiences.* Arguably, this kind of question is better suited to qualitative approaches, yet there are few qualitative studies that directly explore the health and social effects of ALMP participation.

Based upon these limitations, this leads to four dominant research objectives for the present study:

1. *To expand the evidence base on the well-being, health and social capital effects of ALMPs in the UK.* This relates to the first limitation outlined above: that compared to other countries, relatively little is known about the effects of UK programmes and, in particular, vis-à-vis physical health and social capital.
2. *To explore whether claims of causality can be strengthened vis-à-vis participation in ALMPs.* This links to the second limitation: that the most rigorous and robust evidence on ALMPs – such as that which employs longitudinal or panel methods - is located in very different contexts to the UK's activation system. Thus, little is known in the UK regarding the causal or long-term effects of ALMPs.
3. *To examine whether the effects of ALMPs are context dependent.* This relates to the third limitation: that little is known about how different types of ALMPs perform, whether they work better for different groups of unemployed people and how they compare to other forms of paid work and unemployment.
4. *To explore the meanings that participants attach to ALMPs and the pathways that lead to positive or negative experiences.* This relates to the fourth limitation: that there is a lack of qualitative research examining how and why ALMPs have particular outcomes through exploring the experience of participants.

The rest of the thesis proceeds as follows. In Chapter Four the methodological approach of the thesis is described and defended, whilst in Chapters Five to Eight the empirical analysis is presented. Chapter Five presents the results of a wide range of OLS regression models on different indicators of well-being, health and social capital, whilst chapter six examines longitudinal and causal issues using the long-running BHPS. Chapter Seven proceeds to explore how the context of ALMP participation – such as what programme a person is on and his or her demographic characteristics – shapes the differential impact of interventions. Chapter Eight presents a qualitative analysis of semi-structured interviews with past and present ALMP participants. Chapter Nine concludes by discussing the implications of the empirical findings and offering some conclusions for social policy and the study of unemployment.

CHAPTER FOUR

Methodology

To explore the four research questions identified in the preceding chapters, this thesis adopts a mixed methods approach to social policy analysis. In his discussion of mixed methods research, Bryman (2012) identifies 16 rationales for mixed methods approaches.¹⁵ Whilst numerous of these are important for this study, the most influential rationale is what Bryman (2012: 615-616) describes as ‘process’. This is the argument that whilst quantitative findings can be used to “uncover regularities”, qualitative research is better suited to “explore the processes that lie behind the differences” observed in statistical data. This thesis adopts this rationale in part. The first two empirical chapters thus attempt to establish “regularities” between ALMPs and a range of dependent variables, which is achieved by analyses of various UK datasets including the Annual Population Survey, British Household Panel Survey and Citizenship Survey. The third and fourth empirical chapters meanwhile aim to “explore the processes” behind these regularities. This is attained by using the above surveys to examine how ALMPs perform in different contexts, whilst a qualitative analysis of 12 ALMP participants explores the meanings people attach to unemployment and labour market programmes. In the first section of this chapter, a full explanation of this methodology is outlined. The second section proceeds to explain the empirical approach for each chapter.

¹⁵ Triangulation; offset; completeness; process; different research questions; explanation; unexpected results; instrument development; sampling; credibility; context; illustration; utility; confirm and discover; diversity of views; and enhancement.

The Mixed Methods Approach

Charlwood et al. (2014) draw upon Goldthorpe's (2001) discussion of quantitative methods and causation to explore three different approaches to quantitative analysis. The first is described as 'robust dependence', in which evidence of a strong correlation between two variables even after a variety of statistical 'controls' – thus implying the absence of falsification – can be utilized to make inferences about causality. The second is 'consequential manipulation', formulated in the social sciences in an attempt to improve on the main limitation of robust dependence: that all plausible variables can be controlled for. In this approach, experimental methods – such as randomized control trials and natural experiments – can be used to strengthen claims of causality by analysing the effects of 'treatments'. 'Consequential manipulation' as a methodological approach has recently been advocated in policy analysis (Haynes et al., 2012) although, as Charlwood et al. (2014) note, in practice it remains a rare tool of social research.

Goldthorpe (2001) draws attention to the limitations of both of these approaches to quantitative research, particularly in relation to sociological studies, and subsequently proposes a third approach to quantitative research: 'causation as generative process'. For Goldthorpe (2001), a 'generative process' in quantitative research is one that involves three steps. Firstly, derived from a particular theory concerning social phenomena, researchers look to confirm "empirical regularities" between two variables of interest. However, if such "regularities" are observed, Goldthorpe (2001) advises against using these as a springboard for causal explanation. Secondly then,

once such “regularities” are confirmed, the second step in the ‘generative process’ is to hypothesize about the underlying mechanisms that cause the initial observation and, thirdly, test them in the search for a new set of associations that either support or falsify the proposed theories. Even if, in this third stage, the findings are consistent with the proposed theories, Goldthorpe (2001) warns of over-confidence: such findings would suggest, rather than confirm, the presence of a particular causal mechanism. Charlwood et al. describe this process as:

Following Goldthorpe’s approach the starting point is to use statistical analysis to identify empirical regularities that confirm the existence of a sociologically interesting phenomenon, then to develop and test theories that might explain the regularity in a provisional way. (Charlwood et al., 2014: 157)

Olsen and Morgan (2005) offer a similar analysis to Goldthorpe (2001) yet propose a different recommendation for researchers, arguing that the most effective process of what Goldthorpe calls a ‘generative process’ is to follow up quantitative findings with qualitative ones. In this sense, quantitative findings – such as the “empirical regularities” that Charlwood et al. (2013) describe – can make more sense, and be elucidated on from a theoretical perspective, when they are followed up by a qualitative study that aims to explore the micro-level of social action: the ‘lived experience’ of the social actors involved in the phenomenon under study. Bryman (2012: 603) describes this approach as one in which quantitative and qualitative methods are used in a “mutually illuminating” way.

Research Design

This methodological approach of this study fuses together the recommendations of both Goldthorpe (2001) and Olsen and Morgan (2005). Thus it consists of two stages: establishing ‘*what is happening*’ before proceeding to consider ‘*why it is happening*’ (Goldthorpe, 2001: 11). The first stage of the empirical section of the thesis is consequently focused on exploring whether “empirical regularities” can be established between participation on ALMPs and a range of social indicators. The key question is whether or not there is sufficient evidence to confidently identify a statistical relationship between ALMP participation and dependent variables related to health, well-being and social capital. To achieve this, Chapter Five examines relationships using recent cross-sectional datasets, whilst Chapter Six analyses the British Household Panel Survey and its successor Understanding Society. In this latter chapter, the analysis of panel data is undertaken to strengthen the likelihood of “empirical regularities” by using more robust methods compared to the simpler form of ordinary least squares (OLS) regression used in the preceding chapter.

The two chapters that form the second half of the empirical section of the thesis attempt to develop and strengthen causal explanations for any “empirical regularities” observed in the preceding two chapters. Taking its cue from Goldthorpe’s (2001) argument, Chapter Seven posits a range of hypotheses that aim to test different theories regarding the positive well-being effects observed in the previous two chapters. For example, one proposed theory regarding ALMPs and well-being is that certain kinds of

programme have stronger well-being effects than others. More specifically, Strandh (2001) argues that ALMPs that more closely mimic the environment of paid work will increase well-being relative to ALMPs that do not. Consequently, Chapter Seven tests this theory by analysing whether more ‘work-oriented’ ALMPs are associated with higher well-being than ones that offer more ‘employment-assistance’ kinds of support. This kind of approach, used throughout Chapter Seven, aims to strengthen claims about the potential causal mechanisms that underpin ALMPs. Following Olsen and Morgan’s (2005) argument, Chapter Eight takes a different approach to exploring such ‘causal mechanisms’ by presenting the findings of a qualitative study of ALMP participants. This chapter has an inductive objective; rather than attempting to test theories related to the causal mechanisms of ALMPs, Chapter Eight aims to develop theories about ALMPs based upon an analysis of people’s experiences of participation.

CHAPTER FIVE: A CROSS-SECTIONAL ANALYSIS

In the first empirical chapter, a wide range of ordinary least squares (OLS) and ordered logit models are estimated utilizing two UK cross-sectional surveys: the Annual Population Survey (APS) and the Citizenship Survey (CS). As outlined above, the aim of this chapter is to establish whether there is any evidence of an empirical association between ALMPs and a selection of variables related to well-being, health and social capital.

The APS is an annual cross-sectional survey that combines results from the four annual waves of the Labour Force Survey (LFS) and the various LFS boosts across England, Scotland and Wales and is collected by the ONS.

The LFS is a quarterly survey of around 40,000 households, with each household interviewed over five quarters. As a result, each quarterly LFS survey consists of five different household waves: so that, for example, one wave of households are surveyed for the first time and one wave of households are surveyed for a fifth and final time.

Consequently, the APS is a relatively large social survey and collects data for around 150,000 households and over 300,000 individuals each year. The data analysed in Chapter Five come from a pooled dataset for two waves of the APS (April 2011 – March 2012 and April 2012 – March 2013) and is used to explore the relationships between ALMPs and well-being and self-rated health. The prime advantage and motivation for pooling the waves is sample size. ALMP participants routinely make up less than 0.5 per cent of the working-age population (18-65 year-olds); thus, pooling cross-sectional surveys is a mechanism for boosting the sample size of small populations like ALMP participants. For all APS analyses in this thesis, the household weight is applied, which results in the number of cases being ‘grossed up’ to the estimated UK population; this population estimate is for either September 2011 (for the April 2011 – March 2012 wave) or September 2012 (for the April 2012 – March 2013 wave).

Following the 2010-2015 UK Coalition government’s well-being agenda, these two years were also the first APS waves to incorporate four new questions designed to measure the population’s well-being. However, as proxy responses were not included for the well-being questions in the APS,

the overall sample size for the well-being analyses are reduced to 241,180 respondents, with 1,310 ALMP participants (0.5 per cent) and 13,176 openly unemployed people (5.5 per cent). The APS is also used to analyse the relationship between ALMP participants and self-rated health. As proxy responses are included for health questions, the sample size for this analysis is larger with 354,312 participants, including 1,848 ALMP participants (0.5 per cent) and 19,263 openly unemployed people (5.4 per cent).

The CS was a repeated cross-sectional survey that ran between 2001 and 2011: first as a biennial survey and then, from 2008 onwards, an annual survey before being discontinued by the Coalition government. The survey was primarily used to provide evidence for the Department for Communities and Local Government (DCLG) on a wide range of social and community indicators, such as social cohesion, race and integration, volunteering and civic engagement. After moving towards annual collection, the CS had a sample size of up to 17,000 respondents each year including an ethnic minority boost.

Each CS dataset thus consists of two components: a core sample of the general population and a larger, boost sample of ethnic minority groups selected from areas where over one per cent of the population is from an ethnic minority. For all CS analyses in this thesis, as the combined dataset is derived from waves that incorporate the ethnic minority boost samples, the combined sample weight `WtFIInds` for the core and minority ethnic boost samples is used. The subsequent analyses, estimated for both self-rated

health and various social capital indicators, used a pooled dataset of the four waves of the CS that followed its expansion in 2008. As is the case with the APS, pooling successive waves of the CS provides a much larger sample size: totalling 38,871 for the self-rated health analysis (ALMP participants = 199 (0.5 per cent)) and 37,779 for the social capital analyses (ALMP participants = 197 (0.5 per cent)). Table 4.1 summarizes the key features of each dataset used in Chapter Five.¹⁶

Table 4.1 Summary of Datasets in Chapter Five

Survey	Sample size	Dependent variable/s	Independent variables
Annual Population Survey (pooled 2011-2012; 2012-2013).	241,180	4-item aggregate well-being); 3-item aggregate well-being life satisfaction life worth; happiness; anxiety.	Labour market status; housing tenure; marital status; highest qualification; age; age-squared; religious belief; gender; health status; ethnicity; region; year.
Annual Population Survey (pooled 2011-2012; 2012-2013).	354,312	Self-rated health	Labour market status; housing tenure; marital status; highest qualification; age; religious belief; gender; ethnicity; region; year.
Citizenship Survey (pooled 2008; 2009; 2010; 2011).	38,871	Self-rated health	Labour market status; housing tenure; marital status; highest qualification; children in household; age; income; gender; religious belief; ethnicity; region; year.
Citizenship Survey	37,779	Social trust; neighbourhood	Labour market status; housing tenure; marital status; highest

¹⁶ There are some differences in how the independent variables are categorized and constructed in the APS and the CS. In the CS, there are no categories for the self-employed and unpaid family work (labour market status); no category for Arab (ethnicity); and no categories for Merseyside, East Midlands, West Midlands and Scotland. The religious variable also differs between the two surveys. In the APS, religious is a straightforward dichotomous variable between religious/non-religious. In the CS, religious belief is measured on a three-category scale from religion is 'not important' to religion is 'very important'.

(pooled 2008; 2009; 2010; 2011).		belonging; local belonging; associational participation; unpaid work; help to others.	qualification; children in household; age; income; gender; religious belief; ethnicity; region; year.
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CHAPTER SIX: A PANEL ANALYSIS

The analyses presented in Chapter Six have a similar objective to those of Chapter Five: to establish whether there is sufficient evidence of a relationship between ALMP participation and well-being, health and social capital. However, the research in Chapter Six aims to strengthen the claim that such associations are meaningful by using panel data from the British Household Panel Survey and its successor Understanding Society (UKHLS).¹⁷ In Chapter Six, two statistical approaches are used that exploit the structure of panel data, in which the same respondents are repeatedly interviewed over time. The first approach uses methods such as fixed and random effects models to address two particular limitations of cross-sectional data: unobserved heterogeneity and omitted variable bias.¹⁸ Second, Chapter Six also utilises the panel structure of the BHPS/UKHLS to analyse labour market transitions. This enables an analysis of whether observed differences between ALMP participants and other unemployed people exist before individuals move into either group, as well as the effect that moving into an

¹⁷ Understanding Society is also known as the UK Household Longitudinal Study. Its abbreviation (UKHLS) will be used in this thesis.

¹⁸ For studies into ALMPs that use fixed and random effects models (or variations of), see Andersen (2008) and Wulfgramm (2011).

ALMP has on different outcomes.¹⁹ Both approaches are briefly outlined below.

Fixed and random effects models

As suggested above, cross-sectional methods – such as those used in Chapter Five – have a number of disadvantages that limit their explanatory power. One such problem is unobserved heterogeneity: the likelihood that there are important independent variables absent from the analysis. For example, an association might be found between ALMP participation and well-being, yet it is impossible to know whether this difference is caused by the ALMP. Although a wide range of variables are controlled for, ALMP participants might share characteristics that unemployed people do not. Hypothetically for example, ALMP participants might be more extroverted than unemployed people and, simultaneously, extroversion might be correlated with well-being. Here, extroversion would be causing the observed relationship between ALMPs and well-being. The risk of unobserved heterogeneity thus arises when important variables are excluded from a regression model. The association between variables might be spurious and powered by other, unobserved characteristics.

Unobserved heterogeneity is linked to the related problem of selection bias. Taking another example, ALMP participants have not been randomly assigned to the intervention amongst a pool of unemployed people. Instead, they may have been *selected* into the ALMP as a result of a common but

¹⁹ Similarly, for an ALMP study that utilizes longitudinal data to analyse transitions, see Strandh (2001).

unobserved trait. This could be, for example, optimism: more optimistic people might be more likely to end up on an ALMP. This would imply that the comparison between ALMP participants and unemployed people is biased by a systematic difference: ALMP participants are more likely to end up on a programme because they are more optimistic than other unemployed people.

As argued at the beginning of this chapter, randomized control trials (RCTs) – particularly common in medical research -have been proposed by some social scientists as a strategy of dealing with unobserved heterogeneity and selection bias, which is achieved by randomly assigning people into two groups (treatment and control). As a result, the probability of someone entering an intervention is determined randomly rather than via a systematic characteristic (such as, in the above example, optimism). This is in comparison to the non-randomized survey methods used in Chapter Five, where it is impossible to be sure – despite being able to control for a wide range of variables – that all important factors are observed.

For reasons Goldthorpe (2001) elaborates on, RCTs remain largely uncommon in the social sciences, despite calls for them to be applied more extensively (Haynes et al., 2012) and the well-established potential for non-randomized methods to deliver misleading conclusions (Leamer, 1983; LaLonde, 1986). To deal with these limitations, statisticians have looked to exploit the structure of panel data, which enables researchers to deal with unobserved characteristics. Two common methods for achieving this are fixed and random effects models. Firstly, fixed effects models explain changes in

the dependent variable from any observed changes in the independent variables, thus allowing researchers to purge estimates of any variables that are invariant (i.e. do not change between waves), either observed or unobserved in the data (Treiman, 2009). Mathematically, this is achieved using *within-group variation*; in short, separate equations are written for each individual ('group') for each time period and then subtracted from one another. For example, consider two equations for two different time periods that are subsequently subtracted from one another. In the equations below, y_{it} is the dependent variable for individual i at time period t ; μ is a time-varying intercept; x_{it} is a vector of independent variables that vary between and within individuals over time (e.g. labour market status); z_i is a vector of independent variables that vary between individuals but not within individuals (e.g. place of birth); α_i are unmeasured, time-invariant variables that vary between individuals; ε_{it} is the error term for characteristics that vary between and within individuals.

$$y_{i1} = \mu_1 + \beta x_{i1} + \gamma z_i + \alpha_i + \varepsilon_{i1}$$

subtracted from

$$y_{i2} = \mu_2 + \beta x_{i2} + \gamma z_i + \alpha_i + \varepsilon_{i2}$$

gives

$$y_{i1} - y_{i2} = (\mu_2 - \mu_1) + \beta(x_{i2} - x_{i1}) + (\varepsilon_{i2} - \varepsilon_{i1})$$

In the final equation, the effect of the above model is to 'purge' the equation of all the time invariant characteristics: both measured (z_i) and unmeasured (α_i). As Treiman (2009: 366) notes, the fixed effects model thus "solves the omitted-variable-bias problem" and enables a more confident attribute of a

relationship between two variables. However, there are limitations to the fixed effects model. Most notably, as a consequence of ‘differencing out’ all of the time invariant factors, the fixed effects model is only able to estimate the effect of variables that change over time, such as income and labour market status. Consequently, an alternative approach has been developed: the random effects model. Unlike the fixed effects model, which produces estimates based on *within-group* variation, the random effect models uses both *within-group* and *between-group* variation: it is therefore possible to estimate the effects of time invariant variables. However, unlike the fixed effects model, the random effects model assumes that the unobserved measures that are fixed over time (α_i) are uncorrelated with the other independent variables (z_i and x_i). Thus, although the random effects model should be preferred to the fixed effects model given it is more efficient, it rests on a strong assumption that needs to be tested using the Hausman test (Hausman, 1978). If the Hausman test shows there is a significant difference between the two models, then the fixed effects model should be preferred: this is because the assumption of the random effects model – that α_i is independent – is not satisfied. The dataset and methodological approach to these analyses are expanded upon in Chapter Six.

Labour market transitions

In the second part of Chapter Six, an analysis of labour market transitions is presented that aims to address two key limitations of the preceding panel analysis. First, the panel analysis is unable to ascertain whether observed differences in well-being exist *prior* to individuals recording either open unemployment or ALMP participation. For example, are ALMP participants

more likely to be happier before they enrol on a programme? This fundamental issue in policy analysis is called selection bias. Second, from the preceding analysis it is still unclear at which stage of unemployment differences between the two groups emerge. For example, are ALMPs associated with increased well-being amongst the newly unemployed or, alternatively, the long-term unemployed?

To explore these longitudinal questions, the well-being impact of three types of labour market transition are analysed in this chapter. In each instance, the key question is whether well-being changes between two waves of the BHPS/UKHLS are associated with a particular transition. For example, what is the average well-being change between Year 1 and Year 2 for individuals who are employed in Year 1 but are either (a) openly unemployed or (b) unemployed and on an ALMP in Year 2? Substantively, the important question is whether transitioning to an ALMP from paid work involves a significantly smaller loss in well-being relative to transitioning to unemployment.

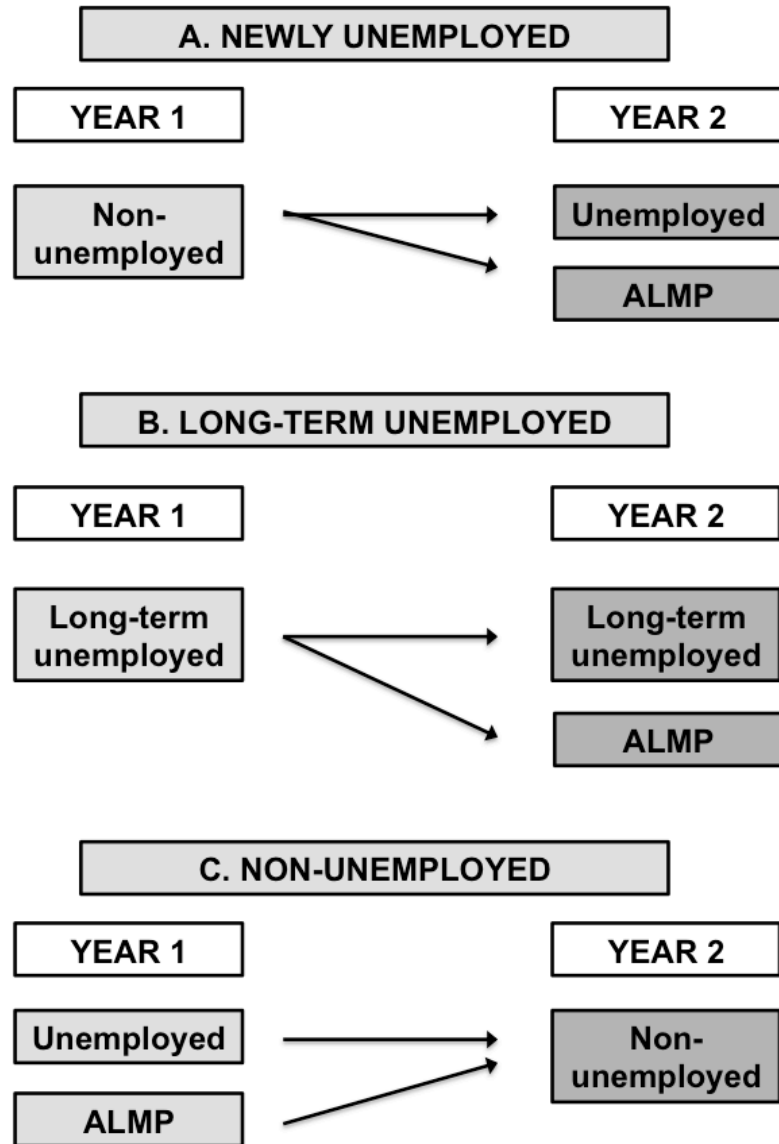
The first type of labour market transition analysed is for *newly unemployed people*. This is concerned with individuals who move to unemployment or an ALMP from a position of non-unemployment in the prior wave. The second type of transition involves *long-term unemployed people*: this includes individuals who are unemployed in one wave and either remain

unemployed or move to an ALMP in the subsequent wave.²⁰ The third type of transition looks at *non-unemployed people* and involves exploring the well-being effects for people who exit unemployment, from both open unemployment and ALMPs. The three labour market transitions are illustrated in Figure 4.2. In exploring these three transitions, it will be possible to see if ALMPs are succeed in the following aims:

1. Mediate the well-being costs of immediate, short-term unemployment.
2. Help individuals adapt to the well-being impact of long-term unemployment.
3. Establish long-term well-being effects that reduce the ‘scarring’ effects of unemployment once people move back into work.

²⁰ It is important to note that such individuals might not have been unemployed throughout the entire time period. Rather, they have been unemployed when they were interviewed at the time of each survey.

Figure 4.2 Labour Market Transitions



CHAPTER SEVEN: DIFFERENTIAL EFFECTS

Whereas Chapters Five and Six aim to establish whether there is sufficiently strong evidence to suggest a relationship between ALMPs and well-being, health and social capital, the analyses presented are unable to explore the underlying processes that underpin any observed relationships. This chapter,

along with the subsequent qualitative one, aims to advance an understanding of these processes. In this chapter, a quantitative approach is used to examine the mechanisms that might generate positive ALMP effects. To achieve this, this chapter examines how *context* shapes the impact of activation programmes. In other words, are ALMPs more successful in raising well-being for different types of programme or different groups of unemployed people? And, if so, what does this suggest about the underlying processes that produce ALMP effects? Unemployed people and ALMP participants constitute a heterogeneous group of individuals, yet the previous chapters conceptualize these groups as homogeneous by operationalizing them as a whole and by examining average effect sizes.

In Chapter Seven, this heterogeneity is examined in five ways to test whether ALMP effects vary in different environments and for different people. The broader objective is to use this evidence on the differential effects of ALMPs to gain a clearer theoretical perspective on the underlying mechanisms that might produce ALMP effects. The five questions are as follows. First, are different *types of ALMPs* associated with different outcomes for participants? Second, how do *demographic characteristics* – including age, gender and education level – interact with ALMPs? Third, does an individual's *labour market history* affect the impact of an ALMP? Fourth, how does the well-being impact of ALMPs compare to *different forms of unemployment*? And finally, do ALMPs work better or worse for people who already have notably *poor mental health*? To examine these questions, Chapter Seven draws upon all three surveys used in the previous chapters:

the APS, Citizenship Survey and BHPS/UKHLS. Theories about how the answers to these questions reveal more about the underlying processes of ALMP effects are elaborated on in each respective section in Chapter Seven.

CHAPTER EIGHT: EXPERIENCES OF UNEMPLOYMENT AND ALMPS

The final empirical chapter presents the findings of a qualitative project with past and present ALMP participants, primarily in the Greater Manchester and Merseyside regions in north-west England. The aim of the qualitative research is to build an understanding of how ALMPs interact with the experience of being unemployed, aiming principally to focus on two core questions. First, what are people's experiences of unemployment like? This includes understanding how unemployment makes people feel, what factors shape unemployment and the strategies people use to cope better with job loss. Second, how do ALMPs affect this experience? In the context of this thesis, this primarily involves understanding the ways in which ALMPs modify – positively or negatively – everyday, unemployed life.

These questions fit well within a qualitative approach as they explore the experiences, meanings and opinions of ALMPs from the perspectives of the users of these programmes. Additionally, a qualitative focus also contributes to the broader methodological objective of this thesis: to, after establishing the existence of a relationship between ALMPs and well-being, explore the processes that shape these effects. This is a crucial limitation of the earlier quantitative analyses that, although suggesting there is a

significant, and arguably causal, relationship between ALMPs and well-being, are unable to demonstrate the processes that underlie this function.

Sample and recruitment

In total, 12 semi-structured interviews were conducted using a process of purposive sampling that is typical of much qualitative research (Bryman, 2013). Purposive sampling refers to the ‘strategic’, non-random selection of participants in a way that ensures individuals are applicable to the research questions of interest. In the example of the above research questions, this involved sampling participants from a variety of social and demographic backgrounds, as well as different ALMP types. Unlike research findings generated using quantitative sampling procedures, those generated from purposive sampling cannot be claimed as representative of a wider population. Rather, by achieving sufficient variation within a purposive sample, findings and observations can be used to generate theories from a particular setting that can be utilized to reflect on the experiences of a wider population. Using the example of this thesis, the earlier quantitative findings tended to show a positive effect of ALMPs, although this was contingent on a variety of factors, such as the type of programme and participant. Subsequently, observations and findings from a relevant qualitative setting can be used to generate a theory about why this might be. Richards (2010: 137) describes this process as one in which ‘substantive theories’, which are generated from the substance of data collected from a particular setting, can be simultaneously used to see the ‘larger picture’ of social phenomena. Thus in addition to the objective of producing a theory that conceptualizes and

explains participants' experiences of ALMPs, the aim of the qualitative research is to also provide a theory that can be explored and operationalized in future research in wider settings and contexts (see Glaser and Strauss, 1967:3, quoted in Richards, 2010: 137).

The research questions outlined above, and in the broader thesis, required a sampling procedure that aimed to capture two key aspects of variation in ALMPs. First, participants had to be recruited from a variety of ALMP types, which included variation along three key dimensions: (a) the 'focus', (b) the 'strategy' and (c) the 'lever' of a programme. The 'focus' of an ALMP refers to its overall objective, with a distinction between 'work-first' and 'person-centred' programmes. In short, where work-first ALMPs have the central aim of moving a person as quickly as possible into the labour market, person-centred ALMPs focus more on an individual's personal development, such as through building up skills or addressing barriers to work and other life problems. The 'strategy' of an ALMP is how the focus is achieved, with a difference between 'employment-assistance' (e.g. intensified personal support) and 'work-oriented' (e.g. training, work experience and skills) schemes. Finally, the 'lever' is how participants come to take part in a programme, whether through mandatory means, ordinarily under threat of benefit removal, or voluntary ones. Programme providers were thus considered for participation along each of these three dimensions.

The second key aspect of variation in ALMPs was diversity within participants' backgrounds. In particular, it was deemed important that the

participants constituted a diverse demographic profile, including by gender, age, education, labour market history/attachment and ethnicity. The findings from the previous chapter showed that ALMPs have a differential effect depending on the characteristics of participants. Therefore, it was crucial to have a diverse sample so that the seemingly heterogeneous processes through which ALMPs are experienced could be fully understood.

The sampling strategy thus had two key objectives: diversity in ALMP type and ALMP participants. The first step in this procedure involved contacting a wide range of ALMP providers that covered the full range of programme types discussed above. Recruitment of providers took place in Greater Manchester, with the majority of interviews (seven) taking place amongst residents in an inner-city area of Manchester south of the city-centre, which has a relatively diverse demographic profile. For the purposes of maintaining anonymity for participants, the area will be called Southside in this study. Southside is relatively close to a number of higher education institutes and thus has a relatively young population of people aged 20-39, with large numbers of students and young professionals. Nevertheless, Southside has a high unemployment rate that is double the Manchester average, as well as higher rates of child poverty, and experienced considerable economic decline in the 1970s and 1980s.

In addition, a later strategy of convenience sampling (see below) resulted in three out of the twelve participants being recruited in the Liverpool city region. For comparative purposes, Table 4.3 displays key

economic and labour market data for the main geographical units represented in the sample: Manchester, Liverpool and Southside. Compared to the British average (7 per cent), all three areas have higher unemployment rates; Liverpool (12 per cent) has a higher rate than Manchester (10 per cent) yet Southside has a markedly larger rate of 20 per cent. Economic inactivity was also higher than the national in all three areas, yet Southside's exceptionally high rate (51 per cent) can be partly explained by its large student population. Out-of-work benefit and JSA claims are all higher than the national average and both Manchester and Liverpool have higher rates of long-term unemployment and low educational attainment. The remaining two participants, also recruited through convenience sampling, lived in Birmingham and Bristol. The final sample, whilst diverse in many ways, was thus highly urbanized and overwhelmingly drawn from relatively disadvantaged parts of the UK. Consequently, the findings cannot be illustrative of rural ALMP participants nor those from more affluent areas.

Table 4.3 Economic and Labour Market Data of the Sample's Key Regions

	Manchester	Liverpool	Southside	Great Britain
Population	514,400	470,800	14,400	62,275,900
Unemployment rate (%)	10.0	12.1	20.0	7.2
Employment rate (%)	62.3	61.2	40.9	71.7
Economically inactive (%)	31.1	30.1	50.6	22.6
Total out of work benefit claimants (%)	18.3	22.2	13.8	13.3
JSA claimants (%)	3.5	4.2	3.1	2.4
Long-term JSA claimants (1+ year) (%)	1.0	1.4	-	0.7
No qualifications (%)	12.8	14.3	-	9.3

Source: NOMIS²¹

The process of contacting ALMP providers first involved compiling a list of providers across a variety of programmes. In an attempt to sample a range of ALMP types, providers from a small number of major programmes were shortlisted in the Greater Manchester area. These included the Work Programme, Mandatory Work Activity (MWA), Work Experience and Sector-Based Work Academies (SBWAs). Organizations involved in the delivery of these programmes were identified through an online search as well as a Freedom of Information (FOI) request to the DWP. In addition, a contact from a major welfare-to-work company provided contact information for providers of a further ALMP funded by an international organization. In terms of the typology of ALMP types outline above, this ALMP was a person-centred, employment-assistance programme with voluntary participation.

²¹ Population data (2013); unemployment and economic inactivity (April 2013-March 2014); out-of-work benefits (February 2014) and JSA claims (July 2014); qualifications (January 2013-December 2013).

Participants were often referred to the programme by a variety of agencies, including social workers and Jobcentre Plus offices. Its aim was to focus on personal development, with a long-term view to re-employment for clients deemed to be far from the labour market. For the purpose of anonymity, this ALMP will be known as the 'personal support programme' (PSP).

After the shortlisting was complete all providers were sent an e-mail explaining the project background, research aims and a request for an informal meeting in November 2013. This resulted in two initial meetings with ALMP providers. The first meeting was in December 2013 with an employee of a Greater Manchester social enterprise (GMSE). GMSE are involved in a range of back-to-work programmes, including SBWAs and its own back-to-work programme: a six-week scheme designed by GMSE that involves personal development, basic employment skills and work experience with local businesses. After a positive initial meeting a second visit to the GMSE site took place in January 2014 with a project manager of its back-to-work programme. This second meeting was significantly 'cooler' than the first, with the project manager displaying suspicions towards the proposed research. During February 2014 several further attempts were made to re-engage the project manager in the research, with no success. The second meeting with an ALMP provider was in January 2014 with a manager from a private employment support company (PESC), a company involved in the provision of PSP in Southside, Manchester. This was a very positive meeting, with the manager agreeing to participate in the research project and to schedule a full day of interviews on the PESC site. This took place in

February 2014, with seven then present PSP participants being interviewed during the course of one day. Two of the participants also had experience of the Work Programme, which was discussed during the interview, and several further participants had been on other ALMPs too.

A second round of e-mails to ALMP providers in January 2014 resulted in no further meetings. Importantly, this meant that the existing sample was largely restricted to one particular ALMP with minimal diversity. To counter this, an approach of convenience sampling was pursued with the aim of recruiting additional participants from different ALMPs, in particular the largest UK welfare-to-work scheme the Work Programme. The convenience sampling strategy had two components. First, details of the project were distributed through various online mediums, including discussion forums, Twitter and Facebook, with individuals directed to an online form to submit their details. This strategy resulted in three further interviews with participants in Birmingham, Bristol and Liverpool. All three individuals had experience of the Work Programme, with two also having experience of other ALMPs, including MWA. Due to travel constraints, two interviews were conducted using Skype in March 2014. Second, two individuals with past experience of ALMPs were recruited through personal contacts, with both interviews taking place face-to-face in Liverpool city centre in March 2014. One of the two participants had experience of the Work Programme, as well as a back-to-work training placement with the local council, whilst the other participant had experience of a vocational training programme for young

unemployed people. All twelve interviews were audio recorded and later transcribed.

As Table 4.4 shows, this resulted in a sample that was varied both demographically and in terms of programme type. In sum, there were 7 people with experience of PSP, 6 of the Work Programme and 5 of other ALMPs. The sample was skewed towards men, with women forming a minority across the three types of programme, representing how ALMP participation is higher amongst men compared to women.²² There was also a skew towards younger people, with around 40 per cent of participants aged between 20-30. However, this arguably represents the reality of the UK labour market, with high levels of youth unemployment. Finally, in line with the high level of ethnic diversity in Manchester, a third of participants were from ethnic minorities.²³

Table 4.4 Demographic Properties of the Sample

	Total (all ALMPs)	PSP (N=7)	Work Programme (N=6)	Other ALMPs (N=4)
Gender				
Female	9	2	1	1
Male	3	5	5	3
Age				
20-30	5	2	3	2
31-40	2	2	0	0
41+	5	3	3	2
Ethnicity				
White	8	3	4	4
Ethnic minority	4	4	2	0

²² In Chapter Five, Table 5.4 shows that 43 per cent of ALMP participants recorded in the pooled APS dataset were female.

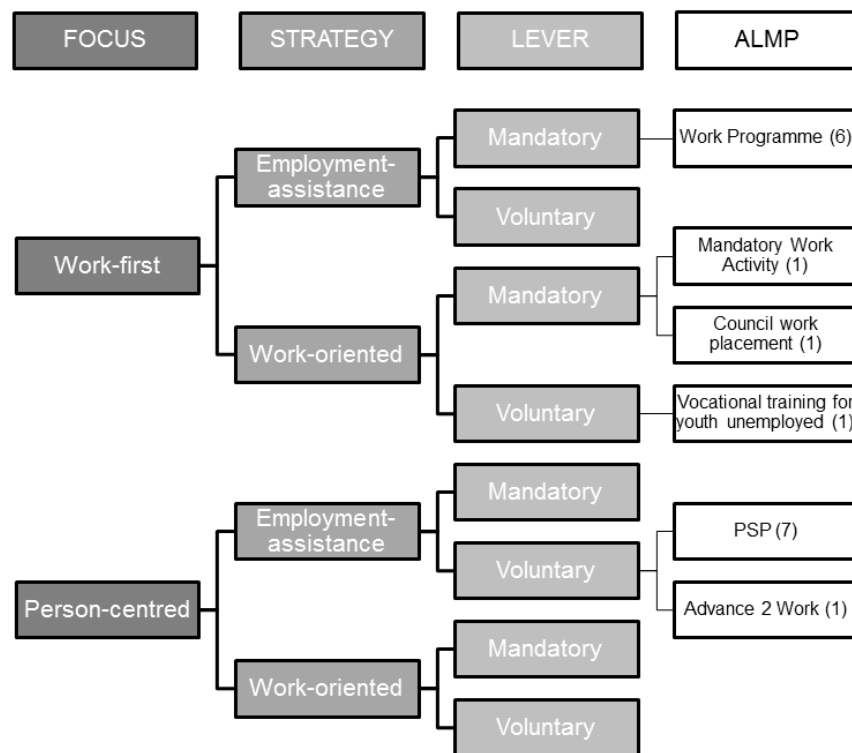
²³ In March 2015, the unemployment rate of people aged 16-24 was 16.2 per cent, compared against a national average of 5.7 per cent (ONS, 2015). Manchester has a White British population of 59 per cent, below the average for England and Wales of 83 per cent (Jivraj, 2013).

Table 4.5 Anonymized List of Participants

Name	Employment status at time of interview	ALMP/s	Personal details
Adam	Employed	Work Programme	Male; mid-20s; graduate; white; Merseyside.
Carol	Long-term unemployed	Work Programme; Advance 2 Work	Female; mid-50s; disabled; white; Birmingham.
Joey	Long-term unemployed	PSP	Male; early-30s; history of mental health issues; white; Manchester.
Kalea	Long-term unemployed	PSP	Female; mid-20s; Black British; Manchester.
Karim	Long-term unemployed	PSP	Male; early-50s; previous professional career in housing; Black African; Manchester.
Mahmud	Employed	PSP; Work Programme	Male; mid-20s; trained engineer; British Asian; Manchester.
Michael	Long-term unemployed	PSP	Male; mid-50s; history of mental health issues; white; Manchester.
Rachel	Employed	PSP	Female; early-30s; lone parent with three children; white; Manchester.
Sean	Employed	Work Programme; 8-week mandatory, unpaid work placement with local council.	Male; late-20s; graduate; white; Merseyside.
Simon	Long-term unemployed	Work Programme; Mandatory Work Activity	Male; mid-40s; white; Bristol.
Terry	Employed	One-year vocational training programme for young unemployed people.	Male; mid-20s; graduate; white; Merseyside.
Thomas	Long-term unemployed	PSP; Work Programme	Male; mid-40s; four children; Black African; Manchester.

Figure 4.6 shows the ALMPs represented in the final sample according to where they fit along the three dimensions of ALMPs identified above. PSP, the largest programme with seven participants, had a person-centred focus in that its objective was the personal development of individuals and the strengthening of their capacity to overcome individual life barriers. It achieved this through an employment-assistance strategy that centred on the provision of personalized, one-on-one support, whilst also being wholly voluntary. Advance 2 Work, a scheme for unemployed people with disabilities, fell into the same category as PSP. Contrastingly the Work Programme, the second largest programme, had a work-first focus of rapid re-employment built on a strategy of employment-assistance. It was, unlike PSP, a mandatory scheme where failure to participate would result in loss of benefits. Two programmes – Mandatory Work Activity and a local council work placement – were also work-first, mandatory schemes like the Work Programme, yet contrastingly had a strategy that was work-oriented, with participants undertaking work experience placements with employers. The vocational training programme undertaken by one participant was similar to these two schemes but was, crucially, a voluntary one.

Figure 4.6 Variation in ALMP Types in the Final Sample (Number of Participants Per Scheme in Brackets)



Methodology and research process²⁴

The research approach involved individual, in-depth interviews; the option of focus groups was made available by PESC but individual interviews were preferred in order to focus on personal experiences. In addition, due to the nature of PSP in working with people with multiple and complex problems, numerous participants had sensitive experiences to draw upon - such as debt, mental health problems and family breakdown - that may have been suppressed during group sessions. All interviews had a semi-structured design, ensuring that participants were given the freedom to talk individually

²⁴ Participant information sheets, consent forms and interview guides are available to read in Appendix Four.

whilst the key topics for the research were still explored. The interview guide covered numerous topics, including:

- Background to the research project
- Experiences of unemployment
- Experiences of the ALMP, including how they came to participate on the programme, feelings towards participation, what participation involved and their ambitions for where the scheme would take them.
- Previous experiences of employment and the social security system.
- Views about how unemployed people are seen by the public and social institutions.

All PSP interviews took place in a PESC office in Southside. For three interviews, a representative of PESC (not known personally to the participants) was present during the interview. This arrangement was unknown prior to the interviews and hence not agreed upon: the preference being for a one-on-one interview between researcher and participant. Nevertheless, there were no explicit differences in the nature of the data between those with PESC present and those not. As the analysis in Chapter Eight shows, the overwhelming attitude to PSP was a positive one, irrespective of who was present during the interview. Participants in Liverpool were interviewed in city-centre cafes, whilst the two Skype interviews were conducted from the participants' homes.

Interviews were audio recorded, lasted between 21 and 77 minutes and were transcribed by a third-party company who later deleted all related Word and audio files in line with their data protection policy. Consent to record was agreed with participants prior to the start of each interview and participants were provided with an information sheet. Each transcript went

through an initial reading where key themes were explored and identified. Subsequently, transcripts were re-read to link together common themes and issues between each transcript, leading to a significant number of key themes that were then collated into thematic guides (e.g. ‘unemployment coping mechanisms’) that informed the analysis in Chapter Eight.

Prior to the start of an interview, informed consent was sought from each participant by asking them to read and sign a consent form. Consent forms notified each participant that participation was voluntary, that they were under no obligation to answer all questions, that the research was independent from their welfare-to-work provider and that all names, organizations and locations would be fully anonymized in any published work. All participants were made aware that everything said during the interview process was confidential and that the transcripts would not be seen by anyone else except the researcher and a professional transcription service. Interview transcripts were stored in a password-protected computer file and later deleted after the analysis was complete. Throughout the process, the research adhered to the ethical guidelines set out by the Economic and Social Research Council (2012). Ethical approval for the project was received by the School of Applied Social Science Ethics Committee, University of Stirling in March 2013.

Summary

This chapter described and justified the methodological and empirical approach of the thesis. Methodologically, the thesis adopts a mixed methods

approach that fuses together the arguments of Goldthorpe (2001) and Olsen and Morgan (2005). Namely, whilst a first, exclusively quantitative empirical section – presented in Chapters Six and Seven – aims to establish evidence of “empirical regularities” between ALMPs and a range of dependent variables, the second section – presented in Chapters Seven and Eight – uses both quantitative and qualitative data to explore the underlying processes of ALMP effects. The aim in this second section is to contribute more explicitly to a theoretical understanding of how and why ALMPs affect the experience of unemployment. This chapter then outlined the empirical approach of each chapter. Due to the nature of the empirical section of the thesis, with different methodological approaches adopted in each chapter, more detailed information about each respective approach is outlined at the start of the next four chapters.

CHAPTER FIVE

ALMP Participation: A Cross-Sectional Analysis

The previous chapters established that unemployment is associated with and appears to cause a wide range of negative, non-economic effects associated with poor health, low well-being and weak social capital. Consequently, and based on a range of theoretical and empirical insights, it was argued that ALMPs might hold the potential to mediate some of these negative effects of unemployment on well-being, health and social capital. The main challenges for the next four chapters concentrate on expanding the evidence base on ALMPs' social effects in the UK context. In this chapter, a preliminary analysis is conducted on two UK cross-sectional surveys: the Annual Population Survey (APS) and the Citizenship Survey (CS). There are numerous advantages to both surveys for the subsequent analyses. For example, in relation to self-rated health, estimating similar models for both datasets enables a comparison of whether the effects of ALMP participation are consistent across different population samples. In addition, both surveys have respective strengths in terms of available variables: the APS collects data on multiple and varied indicators of well-being, whilst the CS is rich in social capital information.

The chapter proceeds as follows. First, the relationship between labour market status and well-being is analysed using two aggregate measures derived from the APS, before the individual components of well-being – life satisfaction, life worth, happiness and anxiety – are explored

separately. Second, both the APS and the CS are analysed to estimate regression models on indicators of self-rated health. Third and finally, the social capital data available in the CS is utilized to examine whether ALMP participation is associated with higher levels of social capital amongst unemployed people. The main hypothesis is that ‘open unemployment’ – defined as being unemployed and *not* on an ALMP – has negative associations with subjective well-being, health and social capital relative to the reference category of ALMP. As Chapter Three stated, this has been proposed by Strandh (2001), Andersen (2008) and Wulfgramm (2011). In addition, Coutts (2009) hypothesizes that ALMPs act as a form of ‘labour market limbo’ – an intermediate labour market status – which means, consequently, that participants will fail to reach the same level of health, well-being and social capital as those in the formal labour market. This leads to two hypotheses:

1. Openly unemployed people will have lower well-being, self-rated health and social capital than ALMP participants.
2. ALMP participants will have lower well-being, self-rated health and social capital than those in formal paid work.

ALMPs and Subjective Well-Being

METHODS

To explore the relationship between ALMP participation and subjective well-being, data are analysed from a pooled dataset for two consecutive waves of the APS, collected between April 2011 and March 2013. The subsequent analysis of subjective well-being and ALMPs is split into two sections. First, two aggregate multiple-item scales of well-being are analysed. Second, the individual measures of well-being that form these multiple-item scales are

then analysed individually. For both sections of the analysis, the first step involves the estimation of a range of OLS regression models on the dependent variables with subsequent models controlling for an increasing number of variables. For example, the first model begins solely with the main independent variable of interest – labour market status – before further control variables are added to each model. These control variables include a range of socio-demographic characteristics (e.g. gender, ethnicity and marital status), as well as other indicators that previous research has linked to well-being (e.g. religious belief and health). In the second step, and in order to assess the robustness of the OLS estimates, a range of further models are estimated as sensitivity analyses. Sensitivity analyses are an important tool in statistical tests, designed to examine whether the conclusions derived from initial analyses hold when different models are estimated (Thabane et al., 2013). As stated above, the data for the analysis come from two special waves of the APS that were redesigned for the specific purpose of measuring population well-being. The four measures of well-being in the APS represent three different concepts of well-being: *evaluative* well-being (life satisfaction); *eudemonic* well-being (life worth); and *affective* well-being (happiness/anxiety). The four well-being questions are described in Figure 5.2.

Figure 5.2 Subjective Well-Being Questions in the APS

“Next I would like to ask you four questions about your feelings on aspects of your life. There are no right or wrong answers. For each of these questions I’d like you to give an answer on a scale of nought to 10, where nought is ‘not at all’ and 10 is ‘completely’.

Life satisfaction

1. Overall, how satisfied are you with your life nowadays?

Life worth

2. Overall, to what extent do you feel the things in your life are worthwhile?

Happiness

3. Overall, how happy did you feel yesterday?

Anxiety

4. On a scale where nought is ‘not at all anxious’ and 10 is ‘completely anxious’, overall, how anxious did you feel yesterday?

All four well-being measures run on an 11-point scale from 0 to 10. For ‘life satisfaction’, ‘life worth’ and ‘happiness’, higher scores on this scale indicate a *higher* level of well-being. For ‘anxiety’, a higher score indicates a *lower* level of well-being. For ease of interpretation, the ‘anxiety’ scale is reverse coded in all subsequent analyses.

For the first section of the analysis, two multiple-item scales of well-being are constructed from these four variables. The first measure is an aggregate measure for that takes the mean score for each of the four indicators (with the ‘anxiety’ values reversed): this is labelled ‘*4-item well-being*’. The second measure is an aggregate measure that takes the mean

score for ‘life satisfaction’, ‘life worth’ and ‘happiness’ *but not* ‘anxiety’: this is labelled ‘3-item well-being’. The rationale behind the construction of both a 4-item and 3-item scale of well-being is illustrated by Table 5.3, which shows that ‘anxiety’ is less strongly correlated to the three additional well-being variables as they are to each other. This suggests that whilst ‘life satisfaction’, ‘life worth’ and ‘happiness’ are indicators of a common, underlying phenomenon, ‘anxiety’ – by being less strongly associated with the other well-being variables – constitutes a weaker component of this fundamental, underlying concept.

Table 5.3 Subjective Well-Being Variables: Bivariate Correlations

	Life satisfaction	Life worth	Happiness	Anxiety
Life satisfaction	1.00			
Life worth	0.64***	1.00		
Happiness	0.58***	0.51***	1.00	
Anxiety	0.35***	0.27***	0.47***	1.00

+ p<.10, * p<.05, ** p<.01, *** p<.001

Cronbach’s alpha is a statistical test designed to assess the internal validity of candidate variables for a summated scale and is measured on a scale of 0 to 10. In this instance, internal validity is defined as whether or not the items on the scale indicate a common, underlying phenomenon such as subjective well-being: in other words, to what extent are the indicators related to each other? As the value of Cronbach’s alpha increases, it indicates that the items of a scale are more closely related to one another. In general, a Cronbach’s alpha value of over 0.70 is considered the benchmark for an acceptable level of internal validity for a multi-item scale (Tavakol and Dennick, 2011). In the

two scales used here, 4-item well-being has a Cronbach's alpha of 0.75 and 3-item well-being has an alpha value of 0.80. Thus, whilst 4-item well-being has an acceptable level of internal validity, 3-item well-being is nevertheless a stronger measure in this respect. In addition, factor loadings were consistently above 0.60 for all variables in both scales but, as implied by Table 5.3 and the Cronbach's alpha values, lower for 'anxiety'.

In each case, the analyses of all six dependent variables – 4-item well-being, 3-item well-being, life satisfaction, life worth, happiness and anxiety – are subjected to the following sensitivity analyses:

- *Transformation of the dependent variable.* Homoscedasticity is one of the main assumptions of OLS regression and states that the variance of the residuals should be homogeneous (Treiman, 2009). A violation of this assumption – heteroscedasticity - occurs when the variance of the residuals is non-constant, which results in biased standard errors. A common cause of heteroscedasticity is when dependent variables are not normally distributed; in the instance of the six dependent well-being variables, this is the case. To correct for heteroscedasticity, a common solution is to transform the dependent variable. In the subsequent analyses, the dependent variables are transformed by cubing their values and, in the instance of 'anxiety', using a logarithmic transformation.
- *Robust standard errors.* Estimating regression models with the use of robust standard errors is a further way of correcting for heteroscedasticity. As stated above, a main assumption of OLS

regression is that the residuals vary homogeneously: the use of robust standard errors in an OLS regression model relaxes this assumption to produce unbiased standard errors and, thus, unbiased p-values.

- *Exclusion of outliers.* Observations that differ substantially from the majority of other observations (outliers) can significantly affect model estimates. For each of main OLS regression models, an inter-quartile range (IQR) test was performed to identify the presence of any severe outliers. Subsequently, each dependent variable was transformed with the exclusion of observations with studentized residuals that exceeded +2 or -2. Further IQR tests confirmed that the transformed dependent variables had no severe outliers.
- *Ordered logit models.* An alternative to treating the six outcome well-being indicators as continuous variables is to treat them as ordinal variables instead. In some cases, the decision to model such variables as continuous rather than ordinal may affect the substantive conclusions derived from regression estimates (Shields and Wheatley Price, 2005). To explore whether this is the case, for the subsequent analyses each main OLS regression model is repeated as an ordered logit model.
- *Exclusion of ALMP participants who identify as being in 'paid work'.* In the APS dataset, there are a small number of cases that identify as being on an ALMP and simultaneously being in a job, identified by the variable YTETJB. In order to focus the analysis on ALMP participants who are definitively not in paid employment, a further OLS regression

model is estimated excluding those who identify as also having a paid job from the ALMP group.

- *Separate analysis of both waves.* In order to examine whether the relationship between ALMP participation and subjective well-being is consistent over time, separate OLS regression models are estimated for both waves 2011-2012 and 2012-2013.
- *Regression on principal component scores.* For the 4-item and 3-item well-being scales, the main OLS regression model is repeated but with a principal component score as the dependent variable. Principal component analysis involves a further transformation of the dependent variable by summarizing multiple variables into one score (Rabe-Hesketh and Everitt, 2004).

The main independent variable of interest is labour market status, with 10 different categories represented in the APS (see Table 5.4). As stated above, the main advantage of the pooled APS dataset is the relatively large ALMP cohort. In total, 1,310 report participating on an ALMP, with the most dominant scheme being the Work Programme with 468 participants. The remaining participants encompass a broad range of schemes, including the New Deal (89), Entry to Employment (45) and Work-Based Learning. In addition to labour market status, other basic socio-demographic variables are included in the analyses. These include housing tenure, marital status, highest qualification, age, age-squared, religious belief, gender, health status, ethnicity, region and survey year. As well as being important control variables, many of these variables are important and known determinants of well-being in themselves (for a review, see Diener et al. 1999). As previous

research has shown that the relationship between well-being and age is curvilinear – in that well-being tends to be high when people are younger, drop in middle-age and rise again in older age – a control of age-squared is included. Graphical analysis of the relationship between age and the well-being variables confirmed this so-called ‘u-shaped’ phenomenon, although it was weaker for life worth. Only 18-65 year olds are included in the analyses and missing cases are deleted through listwise deletion. Whilst listwise deletion can sometimes be problematic when it results in a heavily reduced sample size, in this instance the process only results in the loss of 6028 cases in the pooled APS dataset, which constitutes just 2.4 per cent of the total sample.

Table 5.4 shows descriptive statistics of all the variables included in the subsequent analyses of 4-item and 3-item well-being, showing the number of cases within each category, the total as a percentage of the sample and the total as a percentage of the ALMP and unemployed groups. In total, just 0.5 per cent of the sample participated in ALMPs, with 5.5 per cent unemployed and 59 per cent in paid employment. The final two columns reveal some important differences between the total sample and the ALMP/unemployed cohorts. First, unemployed people and, especially, ALMP participants are strongly over-represented amongst single people, with 31 per cent of the total sample being single and 63 per cent of ALMP participants. However, as Table 5.4 also shows, this is likely determined by the skew of ALMPs and unemployment towards younger people: for example, 21 per cent of ALMP participants are aged 18-24, compared to 7 per cent of the total sample. Second, and unsurprisingly, those with higher education degrees are under-

represented amongst the ALMP group compared to the wider sample. Unemployed people, however, are far more likely than ALMP participants to hold a higher degree; representing, arguably, that participation in ALMPs is concentrated on particularly disadvantaged groups. Third, ALMP participants are over-represented in certain regions relative to the size of such regions within the population (such as the North-West, North-East and Yorkshire), likely signalling differences in long-term unemployment rates across the country. Fourth, although a majority of the total sample is female (57 per cent), women are in a minority amongst ALMP participants (43 per cent) but not unemployed people (50 per cent). Finally, a smaller proportion of ALMP participants report good health (68 per cent) compared to the total population (77 per cent) and unemployed people (73 per cent). This descriptive analysis builds a picture of ALMP participants as more likely to be young, poorly educated, concentrated in certain parts of the country, male and less likely to report good health.

Table 5.4 Descriptive Statistics

Variable name	Cases	Per cent (total sample)	Per cent (unemployed group)	Per cent (ALMP group)
<i>Independent variables</i>				
ALMP	1,310	0.5		
Unemployed	13,176	5.5		
Employed	142,274	59.0		
Self-employed	21,904	9.1		
Retired	17,773	7.4		
Sick/Disabled	17,713	7.3		
Family care	16,278	6.8		
Student	4,556	1.9		
Unpaid family work	535	0.22		
Other status	5,661	2.4		
<i>Control variables</i>				
Housing tenure				
Owner	55,959	23.2	12.8	8.9
Mortgage	101,826	42.2	23.5	15.8
Part-own	1,098	0.5	0.3	0.2

Rent	80,364	33.3	62.6	74.1
Rent free or squat	1,933	0.8	0.9	0.9
Marital status				
Single	74,568	30.9	53.6	63.0
Married	122,098	50.6	27.5	14.7
Separated	9,776	4.1	5.2	4.7
Divorced	28,615	11.9	12.2	16.3
Widowed	6,123	2.5	1.4	1.3
Highest qualification				
Higher education	86,065	35.7	23.7	16.0
A-Level	54,668	22.7	21.7	20.3
GCSE	52,609	21.8	27.7	32.4
Other	22,737	9.4	13.7	19.1
None	25,101	10.4	13.2	12.1
Ethnicity				
White	219,491	91.0	84.7	87.1
Mixed race	1,767	0.7	1.3	1.6
Indian	4,755	2.0	2.1	1.2
Pakistani	2,806	1.2	2.3	1.3
Bangladeshi	1,057	0.4	0.9	0.3
Chinese	1,049	0.4	0.4	0.2
Other Asian	1,982	0.8	1.2	0.5
Black	5,412	2.2	5.0	6.5
Arab	581	0.2	0.4	0.4
Other ethnicity	2,280	1.0	1.4	0.9
Region				
Yorkshire	20,036	8.3	9.5	10.2
Merseyside	6,393	2.7	2.9	4.0
London	22,008	9.1	10.7	10.8
North-West	23,140	9.6	9.8	11.6
North-East	16,260	6.7	8.3	9.5
East Mids	12,241	5.1	5.6	5.0
Wales	27,319	11.3	10.8	11.2
South-East	28,117	11.7	9.2	8.5
West Mids	18,127	7.5	8.1	7.9
South-West	18,751	7.8	5.9	5.4
East	14,918	6.2	5.9	4.7
Scotland	33,870	14.0	13.3	11.1
Demographics				
Age 18-24	17,685	7.3	19.5	20.9
Age 25-34	42,963	17.8	22.9	20.9
Age 35-44	53,310	22.1	21.8	21.3
Age 45-54	60,666	25.2	21.0	25.7
Age 55-65	66,556	27.6	14.8	11.2
Religious	165,385	68.6	60.6	59.9
Female	137,530	57.0	49.8	42.9
Good health	186,380	77.3	73.4	68.2

DESCRIPTIVE RESULTS: AGGREGATE WELL-BEING

Table 5.5 provides weighted population estimates for 4-item and 3-item well-being for adults aged 18-65 in the APS, split by labour market status. In

addition, the table shows separate estimates for 2012 and 2013, as well as pooled estimates for the ALMP group *excluding* participants who also report being in paid work. There is one important conclusion to derive from Table 5.5. In the pooled dataset there is seemingly little difference between the ALMP and unemployed groups on 4-item well-being, with the two groups recording mean well-being scores of 6.62 and 6.57 respectively. However, with the exclusion of ‘anxiety’ for 3-item well-being, the difference between the two groups increases to 0.09 points (6.71 and 6.62). This suggests that there might be significant differences between the two groups on ‘life satisfaction’, ‘life worth’ and ‘happiness’ but not ‘anxiety’. However, one-sided *t*-tests show that the differences between the ALMP and unemployed groups are not statistically significant for either measure.²⁵ More broadly, retired people have the highest levels of well-being (7.77/7.91) and sick/disabled people have the lowest levels (5.64/5.78).

Table 5.5 Population Estimates of Aggregate Well-Being by Labour Market Status

Labour market status	Mean 4-item well-being	Mean 3-item well-being	N
2012			
ALMP	6.54 (6.39/6.69)	6.64 (6.48/6.79)	521
Unemployed	6.51 (6.46/6.55)	6.55 (6.51/6.60)	6,713
2013			
ALMP	6.67 (6.54/6.81)	6.76 (6.62/6.89)	789
Unemployed	6.63 (6.59/6.68)	6.68 (6.64/6.73)	6,463
Pooled			
ALMP	6.62 (6.52/6.72)	6.71 (6.61/6.82)	1,130
ALMP (excluding those in work)	6.61 (6.50/6.71)	6.69 (6.59/6.80)	1,269
Unemployed	6.57 (6.54/6.60)	6.62 (6.58/6.65)	13,176
Employed	7.38 (7.37/7.39)	7.53 (7.52/7.53)	142,274
Self-employed	7.39 (7.37/7.41)	7.54 (7.52/7.56)	21,904
Retired	7.77 (7.75/7.79)	7.91 (7.88/7.93)	17,773
Sick/Disabled	5.64 (5.61/5.67)	5.79 (5.75/5.82)	17,773

²⁵ The difference between the ALMP and unemployed groups for 4-item well-being has a p-value of 0.48 in a one-sided *t*-test. For 3-item well-being the difference has a p-value of 0.25.

Family care	7.34 (7.31/7.37)	7.53 (7.50/7.55)	16,278
Student	7.41 (7.37/7.45)	7.62 (7.58/7.66)	4,556
Unpaid family work	7.44 (7.30/7.58)	7.70 (7.56/7.83)	535
Other status	7.24 (7.19/7.29)	7.38 (7.33/7.42)	5,661

95% confidence intervals in parentheses

REGRESSION RESULTS: AGGREGATE WELL-BEING

Table 5.6 shows the results of two OLS regressions on aggregate well-being using the pooled APS. The models analyse two dependent variables: model 1 analyses 4-item well-being and model 2 analyses 3-item well-being. For each of the two models the full range of control variables are included. The findings in Table 5.6 generally support the hypotheses outlined above: to recall, that is (a) ALMP participants will have higher well-being than the openly unemployed but (b) ALMP participants will have lower well-being than those in paid work. This is despite the finding reported in Table 4.5: that there were seemingly no meaningful differences in the mean well-being levels of the two groups. In Table 5.6 however, the well-being differences that emerge show that as increasing numbers of control variables are added to the models, the impact of open unemployment compared to ALMPs is in fact negative and statistically significant. This suggests that systematic differences between the two groups, alluded to in Table 5.4, account for the lack of difference observed in Table 5.5. As these differences are controlled for, the well-being of the two groups becomes significantly different. The coefficient for the openly unemployed in model 2 (3-item well-being) is especially large and significant at the 0.01 level. Thus, as suggested by Table 5.5, the impact of ALMP participation relative to open unemployment appears stronger for ‘life satisfaction’, ‘life worth’ and ‘happiness’ than for ‘anxiety’. This is also corroborated by a comparison of the BIC value, which is

lower for model 2 compared to model 1. Including ‘anxiety’ in an aggregate measure reduces the association between ALMPs and well-being relative to open unemployment, as well as decreasing the R^2 value and increasing the BIC value, although the difference is still statistically significant at the 0.001 level (model 1). Finally, as proposed by Coutts (2009), those in employment or self-employment have significantly higher well-being than ALMP participants for both aggregate measures of well-being. All other labour market statuses, with the exception of those who are sick or disabled, are also positively associated with well-being relative to ALMP participation in both models.²⁶

²⁶ Table A1.1 in Appendix One presents OLS regression models as in Table 5.6 but with employment status excluded. The objective of this analysis is to examine how important employment effects are in determining well-being. A comparison of the R^2 values reveals that including employment status in a full model (as in Table 5.6) adds 0.02 (2 per cent) to the R^2 value for 4-item well-being and 0.022 (2.2 per cent) for 3-item well-being. Given that social and demographic variables typically account for only a small percentage of the variance in well-being (Diener, 1984), increases of around 2 per cent mark a relatively high influence of employment status on overall well-being.

Table 5.6 OLS Regressions of 4-item and 3-item Well-Being on Employment Status, with Various Control Variables

	Model 1	Model 2
	4-item well-being	3-item well-being
Current employment status (ref: ALMP)		
Unemployed	-0.150*** (0.043)	-0.212*** (0.042)
Employed	0.446*** (0.041)	0.447*** (0.040)
Self-employed	0.470*** (0.043)	0.489*** (0.042)
Retired	0.711*** (0.044)	0.664*** (0.043)
Sick/disabled	-0.431*** (0.043)	-0.444*** (0.042)
Family care	0.495*** (0.043)	0.502*** (0.042)
Student	0.398*** (0.046)	0.507*** (0.045)
Unpaid family work	0.406*** (0.080)	0.472*** (0.078)
Other status	0.342*** (0.046)	0.324*** (0.045)
Controls		
Housing tenure (ref: own outright)		
Mortgage	-0.109*** (0.010)	-0.103*** (0.009)
Part own	-0.132** (0.042)	-0.129** (0.041)
Rent	-0.238*** (0.011)	-0.239*** (0.010)
Rent free/squat	- 0.011 (0.035)	0.003 (0.035)
Marital status (ref: single)		
Married	0.348*** (0.009)	0.414*** (0.008)
Separated	-0.125*** (0.017)	-0.119*** (0.017)
Divorced	-0.013 (0.012)	-0.002 (0.012)
Widowed	-0.195*** (0.024)	-0.232*** (0.023)
Highest qualification (ref: none)		
Higher education	0.061*** (0.013)	0.118*** (0.012)
A-Level or equivalent	0.062*** (0.013)	0.074*** (0.013)
GCSE or equivalent	0.043*** (0.013)	0.033** (0.013)
Other qualification	0.046** (0.015)	0.047** (0.015)
Ethnicity (ref: white)		
Mixed race	-0.110*** (0.033)	-0.087** (0.032)
Indian	-0.101*** (0.021)	-0.068** (0.021)
Pakistani	-0.185*** (0.028)	-0.189*** (0.028)
Bangladeshi	-0.195*** (0.045)	-0.219*** (0.043)
Chinese	-0.088* (0.040)	-0.123** (0.039)
Other Asian	-0.048 (0.032)	-0.033 (0.031)
Black	-0.128*** (0.020)	-0.218*** (0.019)
Arab	-0.287*** (0.056)	-0.278*** (0.055)
Other ethnicity	-0.166*** (0.029)	-0.153*** (0.029)
Region (ref: Yorkshire)		

Merseyside	-0.106*** (0.024)	-0.096*** (0.023)
London	-0.100*** (0.014)	-0.066*** (0.014)
North-West	-0.013 (0.015)	-0.012 (0.014)
North-East	-0.005 (0.018)	-0.001 (0.018)
East Midlands	-0.004 (0.016)	-0.005 (0.015)
Wales	0.016 (0.018)	0.014 (0.017)
South-East	-0.013 (0.013)	-0.009 (0.013)
West Midlands	-0.008 (0.015)	-0.067*** (0.015)
South-West	0.006 (0.015)	0.003 (0.015)
East	-0.008 (0.015)	-0.015 (0.014)
Scotland	0.067*** (0.015)	0.052*** (0.015)
Demographics		
Age	-0.074*** (0.002)	-0.076*** (0.002)
Age-squared	0.001*** (0.000)	0.001*** (0.000)
Religious	0.095*** (0.007)	0.148*** (0.007)
Female	0.059*** (0.007)	0.154*** (0.006)
Good health	0.936*** (0.009)	0.879*** (0.009)
Year: 2013	0.044*** (0.006)	0.028*** (0.006)
Constant	7.498	7.575
R ²	0.148	0.160
Adjusted R ²	0.147	0.160
N	241180	241180
Log likelihood	-447019.9	-441147.5
BIC	894634.7	882890.0

Standard errors in parentheses
+ p<.10, * p<.05, ** p<.01, *** p<.001

Looking at the control variables in models 1 and 2, Table 5.6 shows that many of the indicators have significant associations with well-being. Owning one's home outright is linked to higher well-being than either having a mortgage, part owning or renting, although people who live rent free or squat are not significantly different. As previous research on marital status has shown, compared to being single marriage is associated with higher well-being and separation and widowhood lower well-being, although in both models divorce is no different to being single. In both models, having a higher level of qualification is better for well-being than having none. This is not necessarily an inevitable finding, as there is ambiguity vis-à-vis the effect of education on well-being (O'Donnell et al., 2014). However, as income is not available in the APS, differences in well-being by education level may simply reflect income differences. With the exception of 'other Asians', all ethnic minorities have significantly lower well-being than the majority white group; again, this may reflect differences in income and economic advantage. There are seemingly small and few differences in well-being by region, although living in Merseyside, London and the West Midlands is associated with lower well-being and living in Scotland with higher well-being relative to the reference category of Yorkshire. For the remaining demographic variables, there are positive associations between well being and age/age-squared, suggesting the predicted curvilinear relationship, whilst women have higher well-being than men, as do those with religious beliefs and those in good

health, which – out of all the variables included in both models – has the largest association with well-being.²⁷

Tables 5.7a and 5.7b show the results of eight sensitivity analyses undertaken for each of the two dependent variables. Each of the 16 models is a full model comprising the complete range of control variables used in models 1 and 2. In the tables below, only the coefficients for unemployment are shown. For both tables, it is evident that the relationship between ALMP participation and well-being, relative to open unemployment, remains statistically significant despite the changes made to each model.

²⁷ 'Religious belief' is a dichotomous variable, split between (a) people who belong to a particular religion and (b) people who report no religion. Health status is also dichotomous, categorized between those who report good or very good health and those who report fair, bad or very bad health.

Table 5.7a Sensitivity Analyses of OLS Regressions on Aggregate Well-Being: 4-item Well-Being

Model	Effect of unemployment relative to ALMP	N	R ²	BIC
(3) Cubed dependent variable	-19.005***	241180	0.108	3309287
(4) Robust standard errors	-0.150*	241180	0.148	894634.7
(5) Excluding outliers	-0.071+	230435	0.170	782935.7
(6) Excluding ALMP participants who also state being in paid work	-0.144**	241180	0.148	894636.6
(7) 4-item wellbeing (2012)	-0.142*	120696	0.148	449973.2
(8) 4-item well-being (2013)	-0.137*	120484	0.148	444991
(9) PC score	-0.167***	241180	0.161	851143.3
(10) Ordered logit	-0.132**	241180	0.021 (<i>pseudo R</i> ²)	1527772

+ p<.10, * p<.05, ** p<.01, *** p<.001

Table 5.7b Sensitivity Analyses of OLS Regressions on Aggregate Well-Being: 3-item Well-Being

Model	Effect of unemployment relative to ALMP	N	R ²	BIC
(11) Cubed dependent variable	-27.902***	241180	0.121	3301170
(12) Robust standard errors	-0.212**	241180	0.160	882890
(13) Excluding outliers	-0.130***	229619	0.184	750702.4
(14) Excluding ALMP participants who also state being in paid work	-0.203***	241180	0.160	882901
(15) 3-item wellbeing (2012)	-0.203**	120696	0.162	444793.1
(16) 3-item well-being (2013)	0.196***	120484	0.160	438400.8
(17) PC score	-0.189***	241180	0.164	822042.3
(18) Ordered logit	-0.204***	241180	0.026 (<i>pseudo R</i> ²)	1361679

+ p<.10, * p<.05, ** p<.01, *** p<.001

Thus, ALMP participants are significantly more likely to report higher well-being than the openly unemployed when the dependent variable is cubed (models 3 and 11) and robust standard errors are used (models 4 and 12) to deal with heteroscedasticity. Further, excluding severe outliers from the models (5 and 13) reduces the size of the coefficients for open unemployment but it remains negative and statistically significant for 3-item well-being at the .001 level, although the coefficient for 4-item well-being fails to reach conventional statistical significance ($p=0.065$). When ALMP participants who also state being in work are excluded from the broader ALMP category (models 6 and 14), the effect on the difference between the two groups is minimal, remaining statistically significant, as is the case when the 2012 (models 7 and 15) and 2013 (8 and 16) waves are analysed separately. In relation to the principal component score models (9 and 17) and ordered logit models (10 and 18), the difference between the two groups also remains negative and statistically significant. In total, through models 1-18 the preferred model is 13, which excludes outliers and has the largest R^2 value. Whilst the difference between ALMP participants and unemployed people is smaller in model 13 compared to its equivalent in model 2, it remains statistically significant at the 0.001 level.

In summary, there are three key findings from the above analyses:

1. When a wide range of covariates are controlled for in an OLS regression model, openly unemployed people are significantly more likely to state lower well-being than ALMP participants. This is the case for both 4-item and 3-item well-being, although the difference

between the two groups is larger for the latter measure. This supports *hypothesis one*: that the openly unemployed will have significantly lower well-being than ALMP participants.

2. ALMP participants, however, have significantly lower well-being than people in paid work (either employed or self-employed). They also have lower well-being than most other employment statuses, with the exception of those who are sick or disabled. This suggests that although ALMP participation appears preferable to unemployment, it is still a status associated with relatively low well-being within the population: an intermediate form of labour market status or 'labour market limbo'. This supports *hypothesis two*: that ALMP participants will have significantly lower well-being than those in the formal labour market.
3. The difference between ALMP participants and the openly unemployed is stronger for 3-item well-being, which is evident in the initial models 1 and 2 and is confirmed in the sensitivity analyses performed in this chapter. This provides evidence suggesting that the difference between ALMP and participants openly unemployed people is stronger for some measures of well-being compared to others.

ALMPs and Different Indicators of Well-Being

The results above suggest that ALMP participation is associated with higher well-being compared to those who are unemployed but not participating on an ALMP: the 'openly unemployed'. Further, and in line with the second hypothesis, ALMP participants have significantly lower well-being than those

in paid work. Whilst these results generally support the two hypotheses, well-being is far from a homogeneous concept. As outlined on previously, there are various indicators of well-being that attempt to capture fundamentally different concepts. In the APS, one measure of well-being is *self-evaluative*: this relates to how individuals objectively assess how well their life is going. A second measure of well-being is *eudemonic* and derives from the philosophy of Aristotle. In short, eudemonia is associated with human flourishing: whether people think their lives have purpose, meaning and worth. A third measure of well-being used in the APS is *affect*: how people feel on a day-to-day basis.

Self-evaluation, eudemonia and affect are three distinct dimensions of human well-being. Consequently, it is arguable – and likely – that these distinct dimensions of well-being are determined and influenced by different factors. Martha Nussbaum (2012) draws on Wordsworth’s poem “*Character of the Happy Warrior*” to illustrate this point: a dying soldier, for example, may be content he has acted courageously and virtuously (eudemonia) but feels no positive emotion (affect). Similarly, a widow may feel immensely unhappy (affect) but still consider her life to have been meaningful and worthwhile (eudemonia). In the context of this thesis, this implies that although ALMPs appears to improve the well-being of participants on an aggregate measure, it might be the case that such programmes have varying effects on qualitatively distinct dimensions of well-being. Indeed, that in some instances 4-item and 3-item well-being produce conflicting results suggest that ‘anxiety’ – absent

from the 3-item measure – has a different relationship with ALMP participation compared to the other well-being variables.

A significant advantage of the APS in this respect is that it breaks down well-being into four separate indicators that cover the three concepts above: life satisfaction (self-evaluation), life worth (eudemonia), happiness (positive affect) and anxiety (negative affect). The next section of this chapter examines whether the relationship between ALMPs and well-being varies when these different concepts of well-being are examined. To achieve this, the full models estimated in Table 5.6 are repeated for life satisfaction, life worth, happiness and anxiety. In addition, the sensitivity analyses estimated in Tables 5.7a-b are then repeated for each specific measure (with the exception of principal component scores).

DESCRIPTIVE RESULTS

Table 5.8 provides weighted population estimates and confidence intervals for the four separate measures of well-being in the APS. In the pooled dataset, the estimates show that the difference between the mean well-being scores provided by the ALMP and openly unemployed groups vary. For life satisfaction, life worth and happiness, ALMP participants have higher mean scores by 0.07, 0.12 and 0.11 points respectively, whilst for anxiety it is the openly unemployed who have a higher mean score (indicating lower anxiety). However, one-sided *t*-tests show that the unemployed group is not

significantly different to the ALMP group on any measure.²⁸ Nevertheless, following on from the differential results obtained from the analyses of 4-item and 3-item aggregate well-being, these estimates provide further evidence that labour market status interacts in a non-uniform way with different measures of well-being. In this instance, ALMP participation seems to have a more positive association with life satisfaction, life worth happiness compared to open unemployment, but not at all with anxiety.

Table 5.8 Population Estimates of Life Satisfaction, Life Worth, Happiness and Anxiety by Labour Market Status

Labour market status	Life satisfaction	Life worth	Happiness	Anxiety	N
2012					
ALMP	6.40 (6.21/6.59)	6.90 (6.73/7.06)	6.61 (6.39/6.83)	6.26 (5.99/6.52)	521
Unemployed	6.30 (6.24/6.36)	6.79 (6.74/6.84)	6.57 (6.51/6.63)	6.36 (6.28/6.43)	6,713
2013					
ALMP	6.43 (6.27/6.59)	7.02 (6.86/7.16)	6.83 (6.66/7.00)	6.42 (6.20/6.64)	789
Unemployed	6.41 (6.36/6.47)	6.91 (6.87/6.97)	6.72 (6.66/6.78)	6.48 (6.41/6.55)	6,463
Pooled					
ALMP	6.42 (6.30/6.54)	6.97 (6.86/7.08)	6.75 (6.61/6.88)	6.36 (6.19/6.53)	1,310
ALMP (ex. paid work)	6.39 (6.27/6.51)	6.94 (6.82/7.05)	6.74 (6.61/6.88)	6.36 (6.18/6.53)	1,269
Unemployed	6.35 (6.32/6.39)	6.85 (6.82/6.88)	6.64 (6.60/6.69)	6.42 (6.37/6.47)	13,176
Employed	7.52 (7.51/7.53)	7.76 (7.75/7.77)	7.30 (7.29/7.31)	6.94 (6.93/6.95)	142,274

95% confidence intervals in parentheses

REGRESSION RESULTS

Table 5.9 shows the results of four OLS regressions on the separate indicators of well-being in the pooled APS: life satisfaction, life worth, happiness and anxiety. Each model is a full model in that, like models 1 and 2 in Table 4.6,

²⁸ In one-sided *t*-tests, the difference between the ALMP and unemployed groups for life satisfaction has a p-value of 0.39; for life worth 0.27; for happiness 0.21; and for anxiety 0.88.

they control for an extensive range of plausible covariates. For ease of interpretation, Table 5.9 only shows the coefficients for employment status, with Table A1.3 in Appendix One showing the full range of controls. With numerous caveats, Table 5.9 tends to support the two central hypotheses of this chapter. For life satisfaction, life worth and happiness, open unemployment is negatively associated with well-being compared to being on an ALMP. The strength of this association is relatively consistent for life satisfaction ($\beta=-0.19$), life worth ($\beta=-0.22$) and happiness ($\beta=-0.22$) and all three effects are significant at the 0.001 level. These estimates in these three models all support the first hypothesis: ALMP participants will have higher well-being than the openly unemployed.

However, there are two important caveats found in Table 5.9. First, as indicated in Table 5.8, there is no ‘ALMP effect’ for anxiety. Although the difference between the two groups is not statistically significant, the estimates point towards, if anything, ALMP participants having higher levels of anxiety than the openly unemployed. This is an intriguing finding, suggesting that whilst ALMPs have the potential to improve feelings of self-evaluation, eudemonia and positive affect, they are less able to reduce feelings of negative affect. There are at least two plausible explanations here. Firstly, feelings of anxiety are less influenced by the social, demographic and economic environment compared to other indicators of well-being. This is evident in the R^2 values in Table 5.9, which explain the total amount of variation in the dependent variable explained by the independent variables in each model. In the instance of life satisfaction, for example, the predictors in

the model explain 16 per cent of its variation. For anxiety, however, the predictors explain only 5 per cent of its variation. This implies that changes in a person's environment – such as a change in labour market status – have more capacity to alter life satisfaction compared to anxiety, with anxiety influenced by a broader range of determinants beyond socio-economic environment. This conclusion is also supported by a comparison of the BIC values, which are significantly smaller for life satisfaction, life worth and happiness compared with anxiety. Secondly, there might be something particular about the environment of an ALMP that causes participants to become more anxious. For example, ALMPs might raise a person's hopes about finding work that, in turn, may also increase a sense of uncertainty and anxiety about whether such hopes will follow through.

Table 5.9 OLS Regressions of Life Satisfaction, Life Worth, Happiness and Anxiety

	Model 1	Model 2	Model 3	Model 4
	Life satisfaction	Life worth	Happiness	Anxiety
Current employment status (ref: ALMP)				
Unemployed	-0.192*** (0.047)	-0.224*** (0.046)	-0.219*** (0.059)	0.035 (0.078)
Employed	0.721*** (0.046)	0.430*** (0.044)	0.192*** (0.057)	0.442*** (0.075)
Self-employed	0.691*** (0.047)	0.538*** (0.045)	0.239*** (0.058)	0.412*** (0.077)
Retired	0.985*** (0.049)	0.465*** (0.047)	0.541*** (0.061)	0.851*** (0.080)
Sick/disabled	-0.220*** (0.048)	-0.556*** (0.046)	-0.555*** (0.059)	-0.393*** (0.078)
Family care	0.664*** (0.048)	0.596*** (0.046)	0.246*** (0.059)	0.472*** (0.078)
Student	0.752*** (0.050)	0.549*** (0.049)	0.220*** (0.063)	0.069 (0.083)
Unpaid family work	0.652*** (0.088)	0.431*** (0.085)	0.333** (0.109)	0.207 (0.144)
Other status	0.588*** (0.051)	0.200*** (0.049)	0.183** (0.063)	0.397*** (0.084)
Constant	8.007	7.261	7.458	7.266
R ²	0.164	0.120	0.0851	0.0530
Adjusted R ²	0.164	0.120	0.0849	0.0529
N	241180	241180	241180	241180
Log-likelihood	-470391.2	-462121.3	-522946.9	-589828.0
BIC	941377.3	924837.5	1046488.7	1180250.9

Standard errors in parentheses
 + p<.10, * p<.05, ** p<.01, *** p<.001

Table 5.10 Sensitivity Analyses of OLS Regressions on Well-being: Excluding Outliers

Model	Effect of unemployment relative to ALMP	N	R ²	BIC
(5) Life satisfaction	-0.089*	229603	0.199	801347
(5) Life worth	-0.148***	230707	0.129	795528
(7) Happiness	-0.227***	228653	0.100	901803
(8) Anxiety	-0.003	233604	0.068	1107280

+ p<.10, * p<.05, ** p<.01, *** p<.001

The second caveat relates to the next hypothesis: that ALMP participants will have lower well-being than those in paid work. Whilst this is the case for all four well-being variables, the difference between ALMP participants and the employed is far smaller for happiness ($\beta=0.19$) compared with life worth ($\beta=-0.43$) and, particularly, life satisfaction ($\beta=-0.72$). A plausible explanation here is that although paid work appears to make people more satisfied with their lives and evaluate their lives as having more meaning, work does not necessarily produce a corresponding, similar increase in positive emotions on a daily basis. This was a finding reported by Bryson and MacKerron (2013), who found that working was one of the most lowly ranked daily activities in terms of feeling happy. As with Tables 5.7a/b, the same range of sensitivity analyses were carried out for each of the four indicators of well-being and, similarly, excluding outliers from the analysis produced the most optimal model in terms of improving explanatory power (R^2).²⁹ Table 5.10 shows the effect of unemployment on each indicator relative to ALMP, with no substantively different conclusions to be made compared to the results displayed in Table 5.9.

The key findings from this section can be summarized as follows:

1. ALMP participants enjoy stronger feelings of life satisfaction, life worth and happiness compared to openly unemployed people. These are seemingly robust relationships and hold when more demanding models are tested.

²⁹ Tables A1.4-A1.5 show the full range of sensitivity analyses for each indicator of well-being.

2. There are no significant differences between the ALMP and openly unemployed in levels of anxiety. If anything, the evidence presented in this chapter suggests ALMP participants might be more likely to report higher anxiety.
3. Based on the above findings, it appears as if ALMPs have differential effects on distinct dimensions of well-being. ALMPs appear effective in raising levels of *positive affect* (happiness), *self-evaluation* (life satisfaction) and *eudemonia* (life worth), whereas ALMPs appear to have no influence on feelings of *negative affect* (anxiety). Cumulatively, these results suggest that labour market status – and ALMPs specifically – matter more for some parts of well-being than others.³⁰

ALMPs and Self-Rated Health

Whilst the potential well-being effects of ALMPs have caught the attention of researchers in a relatively wide range of countries during the past two decades, there has been far less academic attention paid to the relationship between ALMP participation and indicators of physical health. As Chapter Three showed, there are just six studies that examine the health effects of ALMPs. Further, none of these studies examine the UK context, whilst four focus exclusively on Sweden. The conclusions from these studies is also

³⁰ Table A1.2 shows OLS regressions of the four well-being indicators excluding employment status. A comparison of Tables 5.9 and A1.2 shows that adding employment status to the full model increases the R² value of life satisfaction by 2.3 per cent, life worth by 2.2 per cent, happiness by 0.8 per cent and anxiety by 0.6 per cent. This supports the argument set out above that ALMPs, and labour market status more broadly, has a variable effect on different dimensions of well-being.

largely ambiguous, with some reporting positive effects of ALMPs (Korpi, 1997; Stuckler et al., 1997; Ayala and Rodriguez, 2013) and others negative ones (Arnetz et al., 1987; Westerlund et al., 2001), whilst Westerlund et al. (2004) report that different kinds of ALMP activities can produce both positive and negative effects on health. The available empirical evidence base thus suggests a highly variable impact of ALMPs on physical health, perhaps largely dependent on ALMP type, the demographic make-up of participants and the labour market context in which ALMPs operate.

DATA AND METHODS

This section of the chapter aims to examine whether there is any evidence of health differences between ALMP participants and the openly unemployed by utilizing two surveys: the pooled APS dataset (used above) and a pooled dataset of the Citizenship Survey (CS) for the years 2008, 2009, 2010 and 2011. The dependent variable – self-rated health - is the same in both datasets, which makes the subsequent analysis the first in the UK to examine the relationship between ALMPs, unemployment and self-rated health. The analysis consists of four regression models of a 5-point scale of self-rated health for each dataset. The main hypotheses follow from the previous section, that is: (a) openly unemployed people will have significantly lower self-rated health than ALMP participants but (b) those in paid work will have significantly higher self-rated health than ALMP participants. For the pooled APS analysis in Table 5.13, unlike the well-being analysis above, proxy responses are included for the self-rated health question, leading to a larger sample size of 354,312 with 1,848 ALMP participants. The pooled CS dataset

has a total sample size of 39,881 with 199 ALMP participants. The APS and CS analyses are not wholly comparable; there are certain categories missing in the pooled CS for labour market status, ethnicity and region, whilst the variable for religious belief is different. The question used in both datasets to assess self-rated health is identical and, for interpretive purposes, the scale is reversed in the subsequent analyses (so a score of '5', for example, indicates 'very good' health). The APS analysis is weighted using the APS integrated household weight and the CS analysis is weighted using the combined sample adult weight.

Figure 5.11 Self-Rated Health in the APS and CS (Reverse Coded)

“How is your health in general? Would you say it was?”

- (1) Very bad
- (2) Bad
- (3) Fair
- (4) Good
- (5) Very good

DESCRIPTIVE RESULTS

Table 5.12 provides population estimates and confidence intervals for self-rated health for both datasets by labour market status. The conclusions to take from Table 5.12 vis-à-vis ALMPs and open unemployment are slightly different for each dataset. In the APS, unemployed people (4.10) have a higher mean self-rated health score compared to ALMP participants (3.97); further, a one-sided *t*-test shows this is a statistically significant difference ($p=0.00$). However, in the pooled CS there is seemingly no suggestion of a difference between the ALMP and unemployed groups at population level. The other population estimates show that students record the highest mean

scores in both surveys, in all likelihood signifying the effect of age on self-rated health, whilst those who are sick and disabled have the lowest mean scores.

Table 5.12 Population Estimates and 95% Confidence Intervals of Self-Rated Health by Labour Market Status (Pooled APS and CS)

Labour market status	Pooled APS	N	Pooled CS	N
ALMP	3.97 (3.92/4.00)	1,848	4.10 (3.98/4.23)	199
Unemployed	4.10 (4.09/4.11)	19,263	4.08 (4.04/4.11)	2,084
Employed	4.32 (4.32/4.33)	211,933	4.35 (4.34/4.36)	25,361
Self-employed	4.27 (4.26/4.28)	33,411	-	-
Retired	3.90 (3.88/3.91)	22,858	3.91 (3.87/3.95)	2,366
Sick/Disabled	2.39 (2.38/2.41)	24,074	2.62 (2.58/2.66)	2,301
Family care	4.07 (4.06/4.08)	21,777	4.21 (4.18/4.23)	4,176
Student	4.54 (4.53/4.55)	10,678	4.47 (4.43/4.50)	1,577
Unpaid family work	4.20 (4.13/4.26)	675	-	-
Other status	4.10 (4.08/4.12)	7,795	4.19 (4.13/4.24)	908

95% confidence intervals in parentheses

REGRESSION RESULTS

Table 5.13 shows the results of two multiple OLS regressions on self-rated health: model 1 is for the pooled APS dataset and model 2 for the pooled CS dataset. As above, for each dataset the models include a full range of covariates. Although there are some differences with the variables used in the two datasets, analysing models in this way enables a comparison of how the selected variables related to self-rated health.

Table 5.13 OLS Regressions of Self-Rated Health using the APS and CS Datasets, with Various Controls

	Model 1	Model 2
	APS	CS
Current employment status (ref: ALMP)		
Unemployed	0.124*** (0.018)	-0.009 (0.027)
Employed	0.330*** (0.018)	0.254*** (0.021)
Self-employed	0.336*** (0.017)	-
Retired	0.204*** (0.018)	0.048+ (0.027)
Sick/Disabled	-1.342*** (0.018)	-1.260*** (0.028)
Family care	0.176*** (0.018)	0.125*** (0.026)
Student	0.377*** (0.018)	0.247*** (0.030)
Unpaid family work	0.272*** (0.034)	-
Other status	0.209*** (0.019)	0.139*** (0.034)
Controls		
Housing tenure (ref: own outright)		
Mortgage	-0.056*** (0.004)	-0.050*** (0.011)
Part own	-0.145*** (0.018)	0.135** (0.044)
Rent	-0.186*** (0.004)	-0.196*** (0.012)
Rent free/squat	-0.178*** (0.014)	-0.074* (0.035)
Marital status (ref: single)		
Married	0.052*** (0.003)	0.079*** (0.010)
Separated	-0.037*** (0.008)	0.021 (0.024)
Divorced	-0.024*** (0.005)	-0.018 (0.017)
Widowed	-0.014 (0.011)	-0.002 (0.033)
Highest qualification (ref: none)		
Higher education	0.237*** (0.005)	0.172*** (0.011)
A-Level/equivalent	0.134*** (0.005)	0.043*** (0.012)
GCSE/equivalent	0.105*** (0.005)	0.010 (0.011)
Other qualification	0.083*** (0.006)	0.075** (0.026)
Ethnicity (ref: white)		
Mixed race	-0.038** (0.008)	0.017 (0.044)
Indian	-0.095*** (0.010)	-0.107*** (0.026)
Pakistani	-0.196*** (0.009)	-0.154*** (0.032)
Bangladeshi	-0.189*** (0.009)	-0.120* (0.050)
Chinese	-0.003 (0.016)	-0.050 (0.063)
Other Asian	-0.034** (0.012)	0.016 (0.047)
Black	0.053*** (0.008)	0.081** (0.026)
Arab	-0.033 (0.021)	-
Other ethnicity	-0.026* (0.011)	-0.025 (0.042)
Region (ref: Yorkshire)		

Merseyside	0.057*** (0.009)	-
London	0.038*** (0.005)	0.009 (0.016)
North-West	0.017** (0.006)	-0.023 (0.016)
North-East	-0.016* (0.007)	-0.082*** (0.021)
East Midlands	0.017** (0.006)	-
Midlands	-	-0.067*** (0.015)
Wales	0.047*** (0.007)	0.015 (0.020)
South-East	0.043*** (0.005)	0.013 (0.015)
West Midlands	0.040*** (0.006)	-
South-West	0.052*** (0.006)	0.002 (0.017)
East	0.047*** (0.006)	-0.019 (0.017)
Scotland	0.072*** (0.006)	-
Demographics		
Age	-0.015*** (0.000)	-0.013*** (0.000)
Religious	0.024*** (0.003)	-
Religion: very important (ref: not important)	-	0.010 (0.011)
Religion: somewhat important	-	0.009 (0.009)
Female	-0.038*** (0.003)	0.030*** (0.008)
Year: 2013	-0.009*** (0.003)	-
Year: 2009	-	0.024* (0.011)
Year: 2010	-	0.054*** (0.011)
Year: 2011	-	0.047*** (0.011)
Constant	4.457	4.556
R ²	0.308	0.231
Adjusted R ²	0.307	0.231
N	354312	39881
Log-likelihood	-400405.9	-45107.8
BIC	801399.5	90671

Standard errors in parentheses
+ p<.10, * p<.05, ** p<.01, *** p<.001

As suggested by the mean scores in Table 5.12, in the APS model the regression estimates show that the openly unemployed have significantly higher self-rated health compared to the ALMP group. Whilst the difference between the two groups is much smaller than it is between ALMP participants and those in paid work, it is highly significant in each model at the .001 level. The findings from the APS thus appear to correspond the numerous studies from Sweden that show a negative relationship between ALMPs and physical health: suggesting that, if anything, ALMPs might be harmful for the health of unemployed people. The results from the CS model do not show the same relationship however. In these models, unemployed people have lower self-rated health than ALMP participants; however, these differences are extremely small and far from statistically significant. Table 5.14, which shows the labour market estimates of two ordered logit models on the full models of the APS and CS datasets, supports the results of the OLS models.

Table 5.14 Ordered Logit Models of Self-Rated Health

	Model 7	Model 8
	APS	CS
Labour market status (ref: ALMP)		
Unemployed	0.287*** (0.045)	-0.062 (0.069)
Employed	0.773*** (0.043)	0.571*** (0.054)
Self-employed	0.800*** (0.045)	-
Retired	0.537*** (0.046)	0.155* (0.068)
Sick/Disabled	-2.873*** (0.046)	-2.799*** (0.075)
Family care	0.424*** (0.045)	0.242*** (0.065)
Student	0.970*** (0.047)	0.625*** (0.080)
Unpaid family work	0.708* (0.0869)	-
Other status	0.519*** (0.049)	0.333*** (0.087)
Pseudo R ²	0.119	0.091
N	354312	39881
Log-likelihood	-372391.4	-41727.2
BIC	745409	83941.7

Standard errors in parentheses
+ p<.10, * p<.05, ** p<.01, *** p<.001

What might explain the contradictory findings shown in Tables 5.13 and 5.14? One probable explanation lies in the differences between the two sets of models. In the APS models, the sample size of ALMP participants and openly unemployed people is much larger than that in the pooled CS dataset. As Table 5.12 shows, these smaller samples mean there are wider confidence intervals and, thus, a lower likelihood of finding statistically significant differences in the CS models. Given the larger sample size of the APS dataset, the APS models are arguably preferable to the CS models; there is thus not necessarily an issue of conflicting evidence but more accurate data from the APS. Therefore it would seem that – contrary to the initial hypotheses, but in line with some existing findings from Sweden – ALMPs appear to have a negative association with the self-rated health of unemployed people.

There are broadly two plausible explanations for this negative relationship between ALMPs and self-rated health. The first is that ALMPs *cause* participants to have worse health compared to unemployed people who are not participating on such schemes. This might be because the pressures involved in taking part in ALMPs exacerbate any pre-existing health issues or bring about new ones due to added stresses or anxieties about work. Further, employment transitions might be less closely correlated with physical health compared to psychological health (Gebel and Voßemer, 2014). The second is that ALMP participants already have lower self-rated health before joining a scheme: this is an argument for *selection*. For example, ALMP participants might be more likely to be drawn from individuals who suffer from relatively bad health, such as people who have previously been in

receipt of disability benefits and/or the long-term unemployed. In this sense, the openly unemployed and ALMP groups might be non-comparable vis-à-vis self-rated health.

To summarize, the main finding of this section is that in the preferable APS dataset ALMP participation is associated with lower self-rated health compared to unemployed non-participants. Whilst this finding runs contrary to the hypotheses formed at the start of this chapter, they are in line with a small number of studies regarding the health impact of training programmes in Sweden. This finding poses an important paradox: that whilst ALMPs are largely associated with higher levels of subjective well-being amongst unemployed people, they are simultaneously associated with lower self-rated health. Given that self-rated health is an extremely powerful predictor of well-being –for example, a happier person is generally a healthier one – that ALMP participants are less healthy but more happy than openly unemployed is a surprising finding and, arguably, suggestive of the well-being strengths of ALMPs.

ALMPs and Social Capital

The final empirical section of this chapter uses the pooled CS to explore whether ALMP participants have higher levels of social capital than the openly unemployed. Similarly to the evidence base on ALMPs and health, there are very few studies that assess the social capital consequences of labour market policies. The argument that such schemes can improve the social capital of participants is put forward most explicitly by Anderson (2009:

342), who argues that ALMPs can increase social capital by “enhancing people’s opportunities for and motives to interact with others”. In other words, when an unemployed person enrolls onto an ALMP his or her opportunities to form social ties are increased and, in theory, there will be an increase in social integration and inclusion. The empirical evidence base is mixed however, with half of the small number of studies finding no effect of ALMPs on social capital (Creed et al., 1998; Vinokur et al., 2000; Breidahl and Clement, 2010) and the other half finding an impact (Creed et al., 1999; Anderson, 2009; Bonin and Rinne, 2014). To date, whether or not UK ALMPs affect social capital remains under-researched.

DATA AND METHODS

Given the small number of studies, it is difficult to come to any firm conclusions about whether ALMPs are associated with higher social capital amongst unemployed people. Nevertheless, based upon the arguments made by Anderson (2009) and the evidence that ALMPs generally improve well-being, it is possible to hypothesize that programme participants will report higher levels of social capital. Due to the nature of ALMPs, many involve opportunities for increased social interaction and participation in the community. Analysing the pooled CS also used to examine self-rated health, the subsequent analysis explores six social capital dependent variables constructed from the CS dataset: social trust, neighbourhood belonging, local belonging, associational participation, voluntary work and giving help to others. Social trust, neighbourhood belonging and local belonging run on 4-point scales and are derived directly from questions in the CS. Associational

participation, voluntary work and giving help to others are multi-item scales constructed from the answers provided to numerous questions related to people's activities. These variables are also arranged on a 4-point scale ranging from 1 (no instances of associational participation, voluntary work and giving help to others) to 4 (three or more instances). All three multi-item scales have acceptable levels of internal validity as measured by Cronbach's alpha.³¹ A summary of how the variables have been constructed is shown in Table 5.15.

³¹ Associational participation has an alpha of 0.70; voluntary work has an alpha of 0.78; giving help to others has a moderate alpha of 0.69.

Table 5.15 Social Capital Dependent Variables

Social trust

“Would you say that...”

- (1) None of the people in your neighbourhood can be trusted
- (2) A few can be trusted
- (3) Some can be trusted
- (4) Many of the people in your neighbourhood can be trusted

Neighbourhood belonging

“First, your immediate neighbourhood. How strongly do you feel you belong?”

- (1) Not at all strongly
- (2) Not very strongly
- (3) Fairly strongly
- (4) Very strongly

Local belonging

“And now your local area. By this I mean the area within a 15-20 minute walk from your home. How strongly do you feel you belong?”

- (1) Not at all strongly
- (2) Not very strongly
- (3) Fairly strongly
- (4) Very strongly

Associational participation

Participation in the following groups arranged on a 4-point scale (1=no groups, 2=1 group, 3=2 groups, 4=3+ groups): children’s education/schools; youth activities; adult education; sport; religion; politics; elderly groups; health, disability and social welfare; safety and first aid; environment and animals; justice and human rights; community/neighbourhood groups; citizens’; recreation, arts and social groups.

Voluntary work

Undertaking the following types of unpaid work arranged on a 4-point scale (1=no voluntary work, 2=1 form of voluntary work, 3=2 forms of voluntary work, 4=3+ forms of voluntary work): raising/handling money; member/leader of a committee; organizing activities/events; visiting people; mentoring; giving advice/counselling; administrative work; providing transport; representation; campaigning; other voluntary work.

Helping others

Undertaking the following forms of support to people arranged on a 4-point scale (1=no support, 2=1 form of support, 3=2 forms of support, 4=3+ forms of support): helping with mobility; shopping/pensions; household jobs; decorating/repairs; childcare; elderly care; property/pet care; giving advice; writing letters; representation; transport; any other help.

DESCRIPTIVE RESULTS

Table 5.16 provides population estimates and confidence intervals for the six indicators of social capital, by labour market status. As is evident, there is no evidence that ALMP participants have higher social capital than unemployed people; indeed, the estimates point towards stronger social capital amongst unemployed people in comparison to the ALMP group for four of the six indicators (social trust, local belonging, voluntary work and help to others). However, these differences between the two groups are relatively small and, in each instance, the confidence intervals overlap.

Table 5.16 Population Estimates and 95% Confidence Intervals of Social Capital Variables by Labour Market Status (Pooled CS)

Labour market status	Social trust	N'hood belonging	Local belonging	Ass'l participation	Voluntary work	Help to others	N
ALMP	2.94 (2.81/3.06)	2.99 (2.88/3.10)	2.87 (2.75/2.98)	2.06 (1.89/2.22)	1.62 (1.47/1.77)	2.20 (2.03/2.37)	197
Unemployed	2.98 (2.94/3.02)	2.90 (2.86/2.94)	2.92 (2.88/2.96)	2.05 (2.00/2.10)	1.74 (1.69/1.79)	2.27 (2.22/2.33)	2,078
Employed	3.34 (3.33/3.35)	3.03 (3.02/3.04)	2.94 (2.93/2.95)	2.34 (2.32/2.36)	2.00 (1.98/2.01)	2.38 (2.36/2.39)	25,312
Retired	3.54 (3.51/3.57)	3.29 (3.26/3.32)	3.16 (3.13/3.19)	2.30 (2.25/2.34)	2.01 (1.96/2.06)	2.32 (2.27/2.37)	2,357
Sick or disabled	2.99 (2.94/3.02)	3.08 (3.05/3.12)	3.00 (2.96/3.04)	1.70 (1.65/1.74)	1.49 (1.45/1.53)	1.91 (1.86/1.96)	2,287
Family care	3.04 (3.01/3.07)	3.09 (3.06/3.11)	3.01 (2.99/3.04)	2.09 (2.05/2.13)	1.79 (1.76/1.83)	2.22 (2.17/2.25)	4,170
Student	3.09 (3.05/3.13)	2.77 (2.72/2.81)	2.81 (2.77/2.86)	2.35 (2.29/2.41)	1.98 (1.92/2.04)	2.22 (2.16/2.28)	1,574
Other status	3.12 (3.07/3.18)	3.01 (2.96/3.07)	2.95 (2.90/3.00)	2.13 (2.05/2.21)	1.85 (1.77/1.93)	2.22 (2.14/2.30)	904

95% confidence intervals in parentheses

REGRESSION RESULTS

Table 5.17 shows the results of six multiple OLS regression models on social capital, which largely confirms the indications given in Table 5.16: that there is no evidence pointing towards a 'social capital effect' of ALMPs. In fact,

model 4 shows that the openly unemployed are significantly more likely to be involved with groups and associations compared to the ALMP group, whilst models 5 and 6 also suggest higher social capital amongst the openly unemployed, although both estimates are only significant at a less conservative 0.10 level. There are no significant differences between the two groups for the first three indicators of and, unlike the patterns that emerged in the well-being and health analyses, there is little evidence that ALMP participants are hugely different vis-à-vis social capital compared to groups with other labour market statuses. The ordered logit models shown in Table 5.18 largely confirm the findings from the OLS models.

Table 5.17 OLS Regressions of Social Capital using the CS Dataset, with Various Controls

	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6
	Social trust	Neighbourhood belonging	Local belonging	Associational participation	Voluntary work	Help to others
Current employment status (ref: ALMP)						
Unemployed	0.018 (0.050)	-0.051 (0.056)	-0.050 (0.056)	0.220** (0.080)	0.137+ (0.079)	0.148+ (0.083)
Employed	0.150** (0.050)	-0.029 (0.055)	-0.072 (0.056)	0.252** (0.079)	0.139+ (0.079)	0.128 (0.082)
Student	0.271*** (0.053)	-0.081 (0.059)	-0.111+ (0.059)	0.525*** (0.084)	0.416*** (0.084)	0.086 (0.088)
Family care	0.062 (0.051)	0.052 (0.057)	-0.005 (0.057)	0.160* (0.081)	0.086 (0.081)	-0.001 (0.085)
Sick/Disabled	-0.067 (0.052)	0.007 (0.058)	-0.061 (0.059)	-0.103 (0.083)	-0.136+ (0.083)	-0.221* (0.087)
Retired	0.156** (0.052)	-0.009 (0.058)	-0.038 (0.059)	0.203* (0.083)	0.049 (0.083)	0.071 (0.087)
Other status	0.055 (0.055)	-0.029 (0.061)	-0.070 (0.061)	0.184* (0.087)	0.122 (0.087)	0.024 (0.091)
Control variables						
Housing tenure (ref: own outright)						
Mortgage	-0.009 (0.011)	-0.065*** (0.012)	-0.076*** (0.012)	0.008 (0.017)	-0.022 (0.017)	-0.012 (0.018)
Part own	-0.188*** (0.043)	-0.254*** (0.048)	-0.218*** (0.049)	-0.119+ (0.069)	-0.087 (0.069)	0.136+ (0.072)
Rent	-0.300*** (0.012)	-0.245*** (0.014)	-0.137*** (0.014)	-0.259*** (0.019)	-0.233*** (0.019)	-0.069*** (0.020)
Squat	-0.143*** (0.034)	-0.095* (0.038)	-0.099** (0.039)	-0.128* (0.055)	-0.125* (0.055)	0.017 (0.057)
Marital status (ref: single)						
Married	0.068*** (0.010)	0.107*** (0.011)	0.036** (0.012)	0.189*** (0.016)	0.219*** (0.016)	0.081*** (0.017)
Separated	-0.041+ (0.024)	-0.064* (0.027)	-0.038 (0.027)	0.095* (0.038)	0.074* (0.038)	0.227*** (0.040)
Divorced	-0.073*** (0.016)	-0.044* (0.018)	-0.060** (0.018)	0.123*** (0.026)	0.136*** (0.026)	0.219*** (0.027)
Widowed	0.051 (0.032)	0.149*** (0.036)	0.072* (0.036)	0.046 (0.051)	0.076 (0.051)	0.039 (0.053)
Highest qualification (ref: none)						
Higher education	0.274*** (0.011)	-0.107*** (0.012)	-0.066*** (0.012)	0.613*** (0.017)	0.572*** (0.017)	0.337*** (0.018)
A-Level/equivalent	0.105*** (0.012)	-0.015 (0.013)	-0.025+ (0.013)	0.318*** (0.019)	0.305*** (0.019)	0.246*** (0.020)
GCSE/equivalent	0.028** (0.010)	0.019 (0.012)	0.006 (0.012)	0.048** (0.017)	0.015 (0.016)	0.055** (0.017)
Other qualification	-0.027 (0.026)	-0.026 (0.029)	-0.039 (0.029)	-0.011 (0.041)	-0.069+ (0.041)	0.020 (0.043)
Ethnicity (ref: white)						
Mixed race	-0.147*** (0.043)	-0.004 (0.048)	-0.010 (0.048)	-0.036 (0.069)	0.011 (0.069)	0.035 (0.072)
Indian	-0.260*** (0.026)	0.075** (0.029)	0.089** (0.029)	-0.418*** (0.041)	-0.386*** (0.041)	-0.313*** (0.043)
Pakistani	-0.231*** (0.032)	0.160*** (0.035)	0.139*** (0.035)	-0.521*** (0.050)	-0.506*** (0.050)	-0.340*** (0.053)
Bangladeshi	-0.189*** (0.049)	0.187*** (0.055)	0.156** (0.055)	-0.465*** (0.079)	-0.489*** (0.078)	-0.469*** (0.082)
Chinese	-0.198** (0.062)	-0.189** (0.069)	-0.144* (0.069)	-0.512*** (0.098)	-0.437*** (0.098)	-0.430*** (0.102)
Other Asian	-0.225*** (0.046)	-0.031 (0.051)	0.055 (0.051)	-0.435*** (0.073)	-0.385*** (0.072)	-0.284*** (0.076)
Black	-0.211*** (0.026)	0.055+ (0.029)	0.026 (0.029)	-0.121** (0.041)	-0.099* (0.041)	-0.129** (0.043)
Other ethnicity	-0.180*** (0.041)	-0.029 (0.046)	-0.043 (0.046)	-0.526*** (0.065)	-0.456*** (0.065)	-0.395*** (0.068)
Region (ref: Yorkshire)						
London	-0.162*** (0.016)	-0.051** (0.018)	-0.050** (0.018)	-0.020 (0.025)	-0.099*** (0.025)	-0.045+ (0.027)

North-West	-0.007 (0.016)	0.047** (0.018)	0.053** (0.018)	-0.006 (0.025)	-0.029 (0.025)	-0.014 (0.026)
North-East	-0.055** (0.021)	0.038 (0.024)	0.037 (0.024)	-0.034 (0.033)	-0.096** (0.033)	0.003 (0.035)
Midlands	-0.023 (0.015)	-0.034* (0.017)	-0.054** (0.017)	0.015 (0.024)	0.009 (0.024)	0.025 (0.025)
East	0.077*** (0.017)	-0.044* (0.018)	-0.068*** (0.018)	0.127*** (0.026)	0.080** (0.026)	0.141*** (0.027)
South-East	0.078*** (0.015)	-0.065*** (0.017)	-0.069*** (0.017)	0.207*** (0.024)	0.154*** (0.024)	0.180*** (0.025)
South-West	0.136*** (0.017)	0.001 (0.019)	0.014 (0.019)	0.202*** (0.027)	0.191*** (0.027)	0.098*** (0.029)
Wales	0.047* (0.020)	0.089*** (0.022)	0.159*** (0.022)	0.031 (0.032)	0.067* (0.031)	-0.009 (0.033)
Demographics						
Age	0.009*** (0.000)	0.006*** (0.000)	0.004*** (0.000)	-0.001 (0.001)	0.002*** (0.001)	-0.001 (0.001)
Religion: very important (ref: not important)	-0.007 (0.011)	0.130*** (0.012)	0.119*** (0.012)	0.349*** (0.017)	0.337*** (0.017)	0.206*** (0.018)
Religion: somewhat important	0.007 (0.009)	0.102*** (0.010)	0.088*** (0.010)	0.165*** (0.015)	0.102*** (0.015)	0.063*** (0.016)
Female	-0.062*** (0.008)	0.019* (0.009)	0.020* (0.009)	0.050*** (0.012)	0.055*** (0.012)	0.111*** (0.013)
Year: 2009	0.051*** (0.011)	0.074*** (0.012)	0.044*** (0.012)	-0.067*** (0.017)	-0.010 (0.017)	-0.098*** (0.018)
Year: 2010	0.049*** (0.011)	0.067*** (0.012)	0.121*** (0.012)	-0.127*** (0.017)	-0.043** (0.017)	-0.270*** (0.018)
Year: 2011	0.056*** (0.011)	0.095*** (0.012)	0.153*** (0.012)	-0.287*** (0.017)	-0.056*** (0.017)	-0.254*** (0.018)
Constant	2.779	2.790	2.814	1.769	1.369	2.102
R ²	0.146	0.063	0.035	0.109	0.094	0.045
Adjusted R ²	0.146	0.062	0.034	0.108	0.093	0.044
N	38779	38779	38779	38779	38779	38779
Log-likelihood	-42722.8	-47015.9	-47123.3	-60707.8	-60585.5	-62391.9
BIC	85899.9	94486.1	94700.9	121869.8	121625.3	125238.2

Standard errors in parentheses

+ p<.10, * p<.05, ** p<.01, *** p<.001

Table 5.18 Ordered Logit Regressions of Social Capital using the CS Datasets, with Various Controls

	Model 7	Model 8	Model 9	Model 10	Model 11	Model 12
	Social trust	N'hood belonging	Local belonging	Ass'l participation	Vo'y work	Help to others
Current employment status (ref: ALMP)						
Unemployed	0.046 (0.132)	-0.106 (0.125)	-0.113 (0.126)	0.395** (0.130)	0.348* (0.138)	0.237+ (0.123)
Employed	0.352** (0.130)	-0.059 (0.124)	-0.158 (0.125)	0.447*** (0.130)	0.305* (0.138)	0.212+ (0.122)
Student	0.678*** (0.139)	-0.168 (0.132)	- 0.247+ (0.134)	0.878*** (0.138)	0.800*** (0.146)	0.150 (0.131)
Family care	0.176 (0.134)	0.147 (0.128)	-0.010 (0.129)	0.287* (0.133)	0.200 (0.142)	0.019 (0.126)
Sick/Disabled	- 0.165 (0.137)	0.071 (0.131)	-0.101 (0.132)	- 0.246+ (0.138)	- 0.313* (0.148)	- 0.352** (0.130)
Retired	0.403** (0.138)	-0.021 (0.131)	-0.096 (0.132)	0.366** (0.136)	0.153 (0.145)	0.141 (0.129)
Other status	0.142 (0.144)	-0.049 (0.138)	-0.151 (0.139)	0.314* (0.143)	0.238 (0.152)	0.057 (0.136)
Pseudo R ²	0.072	0.023	0.016	0.044	0.043	0.018
N	38779	38779	38779	38779	38779	38779
Log-likelihood	-38953.7	-44867.7	-45561.2	-48976.5	-42632.9	-50527.7
BIC	78382.9	90210.8	91597.8	98428.4	85741.2	101530.8

Standard errors in parentheses
+ p<.10, * p<.05, ** p<.01, *** p<.001

Methodologically, there are four plausible explanations why an ALMP effect is not found for social capital. First, cross-sectional datasets like the CS cannot reveal anything about the pre-intervention characteristics of ALMP participants. This could be important; for example, ALMP participants might begin a programme with very low levels of social capital compared to the wider unemployed group and see their social capital improve through the course of a scheme. In this scenario, ALMPs might increase social capital but this would not be evident in a cross-sectional survey. Second, the disparity between the APS and CS results in the previous health section suggested that the CS data had serious limitations in estimating the health of ALMP participants. The failure to find any ALMP effect for social capital might reflect the weaknesses in the CS data rather than any real lack of effect.

Third, the ideal dependent variables were not available for this study. Such variables would have included those used in previous studies of ALMPs and social capital, such as sense of social support and use of community resources (Creed et al., 1998; Creed et al., 1999), frequency of social interactions and perceptions of social isolation (Anderson, 2009) and ‘social marginalization’ (Breidahl and Clement, 2010), which includes self-esteem, social networks and sense of stigma. For these variables, there is arguably a stronger theoretical case linking such indicators to ALMPs compared to the variables available for this analysis. Fourth, it might simply be the case that labour market status is a weak predictor of social capital. Whilst people who are sick or disabled appear to have relatively low levels of social capital, there are seemingly few differences between other groups within the labour market. In examining the control variables in Table 5.17, there are seemingly far stronger determinants of social capital compared to employment status, such as marital status, highest qualification, religious belief and gender.

More related to the nature of the programmes, there are again numerous explanations regarding why ALMPs might fail to improve social capital. First, ALMPs might be too transitory to have an impact on social capital. Building social ties and forming social relationships are processes that take time and, as some ALMPs can last for just a number of weeks, it is unlikely that programmes last long enough to build social capital. Second, it may equally be that even long-term ALMPs fail to increase social capital. For example, ALMPs might be poor quality, stigmatizing or involve few opportunities for social interaction. In such cases, ALMPs may contribute to

a decline in social capital. Third, openly unemployed people may make more constructive and active use of their time than is commonly implied in political and media narratives of benefit claimants. The evidence presented above suggests that the openly unemployed have relatively robust levels of social capital compared to other groups (especially vis-à-vis associational participation, voluntary work and giving help to others).

To summarize, there are two main findings from this section. First, for indicators of social capital related to notions of trust and belonging, there are no differences between the ALMP and openly unemployed groups. Second, for the indicators more related to social and community participation/activity, the openly unemployed appear to have higher levels of social capital than ALMP participants. Akin to self-rated health, these findings run contrary to the hypotheses formulated at the start of this chapter and the findings on subjective well-being. This strengthens the so-called ‘ALMP paradox’ suggested above: that whilst ALMPs appear successful in raising well-being, they appear ineffective – or even counter-productive – in relation to health and social capital.

Conclusions

Research from across the social sciences has shown that unemployment is a far greater problem than a simple economic one and that unemployed people are – relative to those in paid work – more likely to report low well-being, poor health and weak social capital. Theories from social psychology and sociology suggest that the deleterious effects of unemployment are caused by

an absence of ‘latent functions’ ordinarily provided by paid work in modern societies: such as time structure, social contact and social status. This has led to a small body of research exploring the extent to which ALMPs can mediate the harmful effects of unemployment by, to some extent, providing these ‘latent functions’.

This chapter aimed to explore whether there is any evidence to support these claims in the UK using cross-sectional datasets. To achieve this, data from two surveys was analysed: the Annual Population Survey (APS, pooled 2011-2013) and the Citizenship Survey (CS, pooled 2008-2011). For each indicator of well-being, health and social capital, a range of OLS regression models were estimated for each dependent variable. Sensitivity analyses were also estimated to examine the robustness of the main analyses.

The results from this chapter can be summarized into four key points:

1. **ALMP participants tend to report higher levels of well-being than the openly unemployed, yet lower levels than those who are in paid work (either employed or self-employed).** These findings supported the two main hypotheses: that ALMP participants have higher well-being than the openly unemployed but operate as a form of ‘labour market limbo’: an intermediate status between unemployment and paid work. Consequently, ALMP participants fail to reach the same levels of well-being as those in work.

2. **However, ALMP participation has a variable association with different concepts of well-being.** ALMPs are strongly associated with higher life satisfaction, life worth and happiness compared to open unemployment. However, there is no difference between the two groups in terms of anxiety, where the results suggest – if anything – programme participants are more anxious than non-participants.
3. **Two different surveys produced no evidence linking ALMPs to higher self-rated health.** The APS analysis showed that unemployed people had significantly higher self-rated health than ALMP participants, whilst the smaller CS showed no significant difference.
4. **The openly unemployed have higher social capital than ALMP participants for certain indicators; for other indicators, there are no differences.** The analysis of the CS suggested ALMP participants have the same or lower levels of social capital compared to unemployed non-participants, who appear to have relatively robust levels of social capital.

In conclusion, these findings suggest that ALMPs are far from a panacea when it comes to dealing with the harmful social and health effects of unemployment. However, they point towards a relatively consistent and robust association between ALMPs and subjective well-being: which is in line with previous international evidence. This points to an ‘ALMP paradox’: training programmes seem effective in potentially boosting well-being but ineffective – or even counter-productive – in terms of health and social capital.

Whilst this finding might be linked to the nature of the programmes themselves, it may equally be the case that the prime methodological limitation of this chapter – that of *cross-sectional* data – is responsible for these contradictions. To this end, the next chapter expands on this analysis and utilizes British panel data to explore the longitudinal and causal effects of ALMPs.

CHAPTER SIX
The Health and Social Effects of ALMPs: An Analysis of
the British Household Panel Survey and
Understanding Society

The previous chapter explored the effects of ALMP participation on the subjective well-being, self-rated health and social capital of unemployed people using two cross-sectional surveys. Compared to ‘open unemployment’, the results suggested a significant, positive ALMP effect on well-being but not on physical health or social capital. However, whilst cross-sectional surveys such as the Annual Population Survey and the Citizenship Survey are useful for exploring associations between variables, they are largely unable to strengthen claims of causality. This is less the case for panel surveys, such as the BHPS and the UKHLS that are used in this chapter in two main ways: (a) fixed and random effects models and (b) a longitudinal analysis of labour market transitions. In an attempt to address issues of causality and the longitudinal implications of ALMPs, this chapter is subsequently split into two parts. The first part applies panel data techniques to the BHPS/UKHLS, whilst the second part exploits the longitudinal nature of the surveys to examine the impact of employment transitions on the health and well-being of unemployed people.

Fixed and Random Effects Models

DATA AND METHODS

The subsequent fixed and random effects models – as well as the further longitudinal analysis in the second part of this chapter – are conducted using the British Household Panel Survey (BHPS) and its successor Understanding Society (UKHLS). The BHPS (Taylor, 2010) was a nationally representative longitudinal panel survey that began in 1991 and was carried out for 18 consecutive waves up until 2008. Respondents interviewed in 1991 (Wave A) are referred to as Original Sample Members (OSM) and were eligible to be surveyed in each subsequent wave, along with their children (also OSM) and any new individuals who are resident with an OSM (known as Temporary Sample Members). Boost samples for Scotland and Wales were added in 1999 and for Northern Ireland in 2001. It is important to note that the BHPS is not a representative sample for each year in which it is carried out; rather, it is nationally representative of UK households in 1991.

From 2008, the BHPS was replaced by the much larger UKHLS (Knies et al., 2014), which will run annually like the BHPS. Importantly from the perspective of panel data analysis, BHPS respondents were re-contacted from Wave 2 of UKHLS; this effectively restarted the series and thus created the nineteenth and twentieth waves of the BHPS. In the following analyses, these two waves of UKHLS are, where possible, matched to the BHPS. This means that the subsequent panel analyses span an era from 1991 to 2010, thus creating an important difference with the cross-sectional analyses in

Chapter Five: whereas the latter focus exclusively on more recent UK ALMPs, the BHPS-UKHLS data covers a wide range of government schemes, many of which no longer exist. As such, whilst panel data enable more robust estimates, the policy conclusions from an analysis of such a large time period will inevitably be qualified.

The dependent variables are summarized in Table 6.1, which shows the waves of the BHPS/UKHLS that are available for each outcome, how the outcomes are constructed and the sample size for each model. Where possible, BHPS respondents from UKHLS are matched to the original BHPS dataset: this is possible for GHQ-12, life satisfaction and health satisfaction. For the remaining dependent variables, the analyses rely on the original BHPS waves.

The main dependent variable for well-being is a Likert-scale measure of the General Health Questionnaire (GHQ). The particular measure used in the BHPS/UKHLS is ‘GHQ-12’: a 12-item measure of minor psychiatric morbidity.³² GHQ-12 is derived from responses to 12 individual questions regarding subjective well-being. Individually, each variable runs on a scale of 1-4; however, for GHQ-12 the scales are recoded to 0 to 3 and then summed, giving a final scale of 0 (highest well-being) to 36 (lowest well-being) for GHQ-12. For ease of interpretation, in the subsequent analyses the value of GHQ-

³² (1) Being able to face up to problems; (2) playing a useful role; (3) decision-making capability; (4) overcoming difficulties; (5) self-worth; (6) confidence; (7) concentration; (8) enjoying normal day-to-day activities; (9) happiness; (10) loss of sleep over worry; (11) feelings of strain; (12) feelings of depression.

12 is reversed: thus, a higher GHQ-12 score indicates higher well-being. GHQ-12 is a widely tested measure of psychological distress and has been utilized extensively in medical and social science research. In the 20-wave BHPS/UKHLS dataset used in this chapter, GHQ-12 has a very high level of reliability with a Cronbach's alpha score of 0.90. In addition to exploring the relationship between the relationship between ALMPs and GHQ-12, separate models are estimated for each individual component of GHQ-12. This is in order to explore the hypothesis that the effect of ALMPs (and labour market status more broadly) is dependent upon the nature of a particular measure of well-being. In addition to GHQ-12, two measures of life satisfaction are also analysed.³³ Life satisfaction compared to last year ('reflective life satisfaction') is particularly interesting in the context of ALMPs. Many ALMP participants will have moved on to an ALMP from being unemployed; therefore they are making an evaluation against their own experience of being unemployed. It is thus a self-evaluative historical measure.

In addition to well-being, the impact of ALMPs is explored using the BHPS/UKHLS for indicators of health and social capital. To recall, the findings from the previous chapter suggested no association between ALMP participation and improved feelings of health or social capital compared to open unemployment (with the APS results showing unemployed people have better health than ALMP participants). These results are explored further

³³ Life satisfaction is measured differently in the BHPS/UKHLS compared to the APS and CS examined in the previous chapter. In the BHPS/UKHLS, life satisfaction runs on a scale of 1 (not satisfied at all) to 7 (completely satisfied), whereas it runs on a 1-10 scale in the APS and CS. This means the results are not entirely comparable.

using two indicators of health. The first indicator is self-rated health and is the same measure employed in the APS and CS. The second health indicator is the degree of satisfaction with one's health and, like life satisfaction in the BHPS/UKHLS, runs on a scale of 1 (not satisfied with health at all) to 7 (completely satisfied with health). Social capital is analysed using four indicators, two of which (associational participation and neighbourhood belonging) are broadly comparable to indicators analysed from the CS. The third – frequency of seeing social networks – is not available in the CS but is used in other studies on ALMPs and social capital (Anderson, 2009). The final social capital variable is satisfaction with social life. Table 6.1 describes each of the dependent variables.

To aim for a strong level of consistency with the analyses in Chapter Five, the subsequent BHPS/UKHLS models include – where possible – the same independent variables as the cross-sectional APS/CS models. Unfortunately, due to the absence of certain variables from specific waves of the BHPS, it is not possible to include religious belief, ethnicity or self-rated health in the GHQ-12 models; these controls are also excluded from all other models for comparability. All of the other independent variables used in Chapter Four are included in this chapter, these are: housing tenure; marital status; highest qualification; region; age and age-squared (well-being only); and gender. Log gross household income, which was not available in the APS, is also included in the BHPS/UKHLS models, as is whether or not a household contains children (which is related to well-being, although in contradictory ways, see Muffels and Headey, 2013) and a control for year of

survey. Like the previous analyses, only 18-65 year olds are included and missing cases are deleted through listwise deletion. Finally, whilst weights are used in cross-sectional analyses to make estimates nationally representative for a particular year, it is less clear how weights can be applied to panel data as there is no obvious population that analyses aim to be representative of (see Jenkins, 2010 for an extended discussion). Thus, the subsequent analyses are estimated without weights. This is not necessarily problematic: when weights are calculated as a function of the independent variables, unweighted estimates will be unbiased (Winship and Radbill, 1994).

Following from the results of Chapter Four, the initial hypotheses can be revised as follows:

1. ALMP participants have higher well-being than the openly unemployed.
2. ALMP participants have lower well-being than other groups in the labour market.
3. The relative impact of ALMP participation is stronger for eudemonic, evaluative and positive affect measures of well-being and weaker for negative affect measures.
4. There is no difference in the self-reported health of the openly unemployed and ALMP participants.
5. There is no difference between the openly unemployed and ALMP participants in relation to social capital.

The above hypotheses are tested by estimating two models for each dependent variable: (1) a fixed effects model and (2) a random effects model. After each set of analyses, a Hausman test is performed to test the assumptions of the random effects models. Where the Hausman test is not significant, the more efficient random effects model is preferred; where it is significant, the fixed effects model is preferred.

For the GHQ-12 sample used in the subsequent analyses, Table 6.2 shows descriptive statistics for all of the independent variables. Similarly to Table 5.4 in the previous chapter, Table 6.2 shows differences between the ALMP and openly unemployed groups with respect to the control variables. Like the APS dataset, unemployed people and ALMP participants are strongly over-represented amongst the youngest 18-24 age group. 14 per cent of the overall sample are aged 18-24, whilst 29 per cent of unemployed people and 51 per cent of ALMP participants are. That over half of all ALMP participants come from the youngest group is significantly different to the 22 per cent of ALMP participants that come from this group in the APS dataset. This suggests that although ALMPs are still skewed towards younger people, such schemes are less targeted at the young than they used to be. Further differences are also evident amongst the two groups. Thus, compared to unemployed people, two-sided *t*-tests show ALMP participants are significantly: (a) less likely to have no qualifications and more likely to have GCSEs; (b) more likely to have higher household incomes; and (c) more likely to be single and less likely to be married or divorced. Nevertheless, compared to the wider population, ALMP participants – as in the APS – are more likely to be male, young and less well educated.

Table 6.1 Dependent Variables for Panel Analysis

Dependent variable	Description	BHPS/UKHLS waves	ALMP participants	Number of observations (number of individuals)
GHQ-12 Likert scale (reversed)	Likert scale sum of responses to 12 different dimensions of well-being. Range from 0 to 36.	BHPS: 1-18 UKHLS: 2-3	307	186,442 (26,118)
Life satisfaction	Satisfaction with life overall, ranging from 1 (not satisfied at all) to 7 (completely satisfied).	BHPS: 1-8; 10-18. UKHLS: 2-3	181	137,248 (22,230)
Reflective life satisfaction	Satisfaction with life compared to last year. 3-point scale: 1 (less satisfied); 2 (about the same); 3 (more satisfied).	BHPS: 6-10; 12-18	161	119,745 (21,181)
Self-rated health (reversed)	Health in general, ranging from 1 (very good) to 5 (very bad)	BHPS: 1-8; 10-18	274	162,414 (24,877)
Health satisfaction	Satisfaction with health overall, ranging from 1 (not satisfied at all) to 7 (completely satisfied).	BHPS: 6-10; 12-18. UKHLS: 2-3.	179	137,662 (22,239)
Civic participation	Participation in and membership of organizations, ranging from 0 (no instances) to 5 (5 or more instances).	BHPS: 1-6; 9; 11; 13; 15-16.	203	102,888 (23,885)
Social interactions	Frequency of social interactions, ranging from 0 (never see neighbours/meet people) to 8 (see neighbours/meet people most days)	BHPS: 7-18	177	130,102 (21,607)
Neighbourhood belonging	3-point scale of neighbourhood belonging, ranging from 1 (prefer to move/don't like neighbourhood) to 3 (want to stay and like neighbourhood).	BHPS: 1-18	289	171,129 (25,317)
Satisfaction with social life	Satisfaction with social life overall, ranging from 1 (not satisfied at all) to 7 (completely satisfied)	BHPS: 6-10; 12-18	161	120,756 (21,247)

Table 6.2 Descriptive Statistics

Variable name	Number of observations	Per cent (total sample)	Per cent (openly unemployed)	Per cent (ALMP)	Difference between ALMP/unemployed (<i>t</i> -test <i>p</i> -value)
Independent variables					
ALMP	307	0.2			
Unemployed	8,427	4.5			
Employed	116,084	62.3			
Self-employed	15,515	8.3			
Retired	11,903	6.4			
Family care	15,743	8.4			
Student	7,625	4.1			
Sick/Disabled	9,083	4.9			
Maternity	1,009	0.5			
Other status	763	0.4			
Control variables					
Housing tenure					
Own or mortgage	137,524	73.8	44.2	46.9	0.355
Part own	724	0.4	0.3	0.3	0.895
Rent	45,307	24.3	53.5	50.1	0.298
Rent free	2,502	1.3	1.8	2.3	0.540
Other tenure	402	0.2	0.2	0.0	0.478
Marital status					
Single	55,478	29.8	51.2	68.7	0.000***
Married	106,092	56.9	31.7	20.5	0.000***
Separated	4,376	2.4	3.8	4.2	0.670
Divorced	16,725	9.0	11.5	5.9	0.002**
Widowed	3,788	2.0	1.2	0.7	0.367
Highest qualification					
Higher education	82,230	44.1	30.9	30.9	0.978
A-Levels	24,801	13.3	11.9	14.3	0.076
GCSE	33,371	17.9	19.0	27.0	0.001**
Apprentice	2,389	1.3	1.4	0.0	0.035*
Other	12,807	6.9	9.9	10.8	
No qualification	30,861	16.6	27.7	16.9	0.000***
Region					
Yorkshire	12,906	6.9	7.3	4.6	0.068
North-East	6,251	3.4	3.9	5.5	0.150
London	12,288	6.6	7.7	7.2	0.751
Scotland	29,340	15.8	16.1	14.0	0.327
South-East	19,373	10.4	8.2	7.5	0.661
Wales	24,595	13.2	13.7	14.7	0.622
North-West	16,774	9.0	9.4	11.7	0.165
Midlands	23,957	12.8	14.4	8.8	0.005**
Northern Ireland	16,267	8.7	9.2	14.0	0.004**
South-West	12,398	6.7	5.1	8.1	0.018*
East	12,311	6.6	5.1	3.9	0.357
Demographics					
Age 18-24	26,439	14.2	29.2	50.8	0.000***
Age 25-34	42,352	22.7	23.9	17.9	0.016*
Age 35-44	45,154	24.2	19.2	15.6	0.110
Age 45-54	38,689	20.1	16.6	12.1	0.034*
Age 55-65	33,834	18.2	10.9	3.6	0.000***
Female	100,740	54.0	37.5	41.0	0.211
Income	186,459	7.7 (<i>mean</i>)	7.00 (<i>mean</i>)	7.24 (<i>mean</i>)	0.000***
Zero Children in Household	112,365	60.3	60.0	57.3	0.355

+ *p*<.10, * *p*<.05, ** *p*<.01, *** *p*<.001

RESULTS: SUBJECTIVE WELL-BEING

Figure 6.3 illustrates population estimates for the employed, unemployed and ALMP groups for the three indicators of well-being analysed from the BHPS/US: GHQ-12, life satisfaction and reflective life satisfaction. Compared to the openly unemployed, ALMP participants have higher mean scores on all indicators of well-being. Further, and more importantly, Figure 5.4 shows that the 95 per cent confidence intervals do not overlap in each instance. One-sided *t*-tests confirm that these differences are statistically significant at the 0.001 level, whilst there are no significant differences between the employed and ALMP groups.

Figure 6.3 Population Estimates of Indicators of Subjective Well-Being for Unemployed and ALMP Groups, with 95% Confidence Intervals

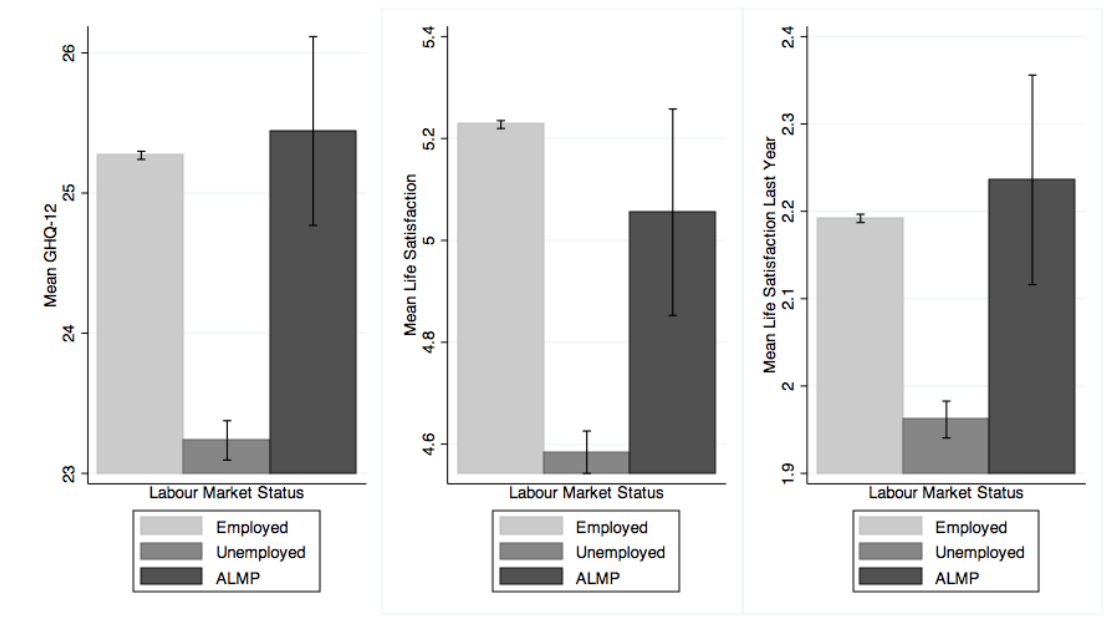


Table 6.4 presents the estimation results from fixed effects models for the three dependent variables for well-being. Random effects models for each variable were also estimated; however, Hausman tests for all three models

indicated significant differences between the fixed and random effects models. Consequently, the less efficient but more consistent fixed effects models are presented. Model 1 examines the determinants of GHQ-12, a measure of minor psychiatric morbidity; Model 2 explores life satisfaction, a comparable measure to that used in Chapter Five; and Model 3 tests life satisfaction compared with last year, an indicator that asks respondents the extent to which they feel more or less satisfied with their life than a year previously.

The estimates in Table 6.4 can be used to test the first two hypotheses described in Chapter Five. Firstly, Table 6.4 shows that, compared to ALMP participants, there is a significant and negative effect of ‘open unemployment’ on well-being for GHQ-12 and life satisfaction compared with last year. The effect on current life satisfaction is weaker however and just falls short of the conventional limits of statistical significance ($p=0.06$). All in all, these results broadly support the prime well-being hypothesis of this thesis and are consistent with the findings in Chapter Five. Secondly however, the findings in Table 6.4. also show – in contradiction to the results in Chapter Five – weaker differences between ALMP participants and those in paid work. This is especially true of employed people, who are not significantly different to the ALMP group across all three models. There are stronger differences between ALMP participants and the self-employed however, with the latter reporting significantly higher present and reflective life satisfaction. Other significant differences are found in relation to the sick and disabled, who have much lower levels of well-being than the ALMP group, and the retired, who have higher well-being on both measures of life satisfaction.

The third hypothesis is related to the different dimensions that constitute subjective well-being. To recall, in Chapter Five three different dimensions of well-being were discussed: self-evaluation, eudemonia and affect. The analysis of the cross-sectional APS suggested a significant effect of ALMPs on positive affect, self-evaluation and eudemonia and no effect of ALMPs on negative affect. The BHPS/UKHLS can also be utilized to examine these constitutive elements of well-being by breaking down and analysing the 12 separate indicators of GHQ-12.³⁴

Table 6.5 shows the effect of unemployment relative to ALMP for 12 separate fixed effects models for the constitutive elements of GHQ-12. Each model includes the full range of control variables but only the estimate for unemployment is shown.³⁵ For each indicator, the values of the dependent variable have been coded so that a higher value indicates a higher level of well-being. In each instance, Hausman tests showed significant differences between the fixed and random effects models; hence, as in Table 6.4, the fixed effects estimates are preferred. Nine of the 12 models show a significant, negative effect of open unemployment relative to ALMP participation. The three largest differences between the two groups are

³⁴ These are: concentration; sleep; playing a useful role; decision-making; strain; overcoming difficulties; enjoying daily activities; facing problems; feeling depressed; confidence; self-worth; and happiness

³⁵ See Table A2.1 in Appendix Two for full models.

Table 6.4 Fixed Effects Models for Various Measures of Subjective Well-Being

	Model 1	Model 2	Model 3
	GHQ-12	Life satisfaction	Life satisfaction compared to last year
Current employment status (ref: ALMP)			
Unemployed	-1.470*** (0.282)	-0.155+ (0.084)	-0.156** (0.057)
Employed	0.329 (0.278)	0.142+ (0.083)	0.084 (0.056)
Self-employed	0.382 (0.284)	0.170* (0.084)	0.115* (0.057)
Retired	0.146 (0.285)	0.179* (0.084)	0.143* (0.057)
Family care	-0.375 (0.282)	0.063 (0.084)	0.015 (0.057)
Student	0.335 (0.288)	0.152+ (0.084)	0.034 (0.057)
Sick/disabled	-2.939*** (0.287)	-0.318*** (0.085)	-0.085 (0.057)
Maternity	0.285 (0.313)	0.204* (0.088)	0.182** (0.060)
Other status	-0.246 (0.327)	0.029 (0.093)	0.044 (0.063)
Controls			
Housing tenure (ref: own outright/mortgage)			
Part own	-0.140 (0.189)	-0.020 (0.049)	-0.006 (0.033)
Rent	0.070 (0.050)	-0.005 (0.014)	0.041*** (0.010)
Rent free/squat	-0.015 (0.125)	0.010 (0.034)	0.042+ (0.023)
Other tenure	-0.133 (0.245)	-0.039 (0.064)	-0.038 (0.043)
Marital status (ref: single)			
Married	0.010 (0.066)	0.081*** (0.018)	-0.013 (0.013)
Separated	-0.928*** (0.108)	-0.116*** (0.029)	0.082*** (0.020)
Divorced	0.254** (0.093)	0.075** (0.026)	0.132*** (0.018)
Widowed	-1.585*** (0.164)	-0.175*** (0.046)	-0.042 (0.032)
Highest qualification (ref: none)			
Higher education	-0.011 (0.108)	-0.092** (0.030)	0.018 (0.024)
A-Level or equivalent	-0.049 (0.119)	-0.021 (0.033)	-0.001 (0.026)
GCSE or equivalent	-0.061 (0.118)	-0.059+ (0.032)	-0.012 (0.026)
Apprentice	0.020 (0.358)	-0.023 (0.097)	0.095 (0.076)
Other qualification	-0.114 (0.125)	-0.088** (0.031)	-0.039 (0.035)
Region (ref: Yorkshire)			
North-East	-0.482 (0.319)	-0.240** (0.092)	-0.097 (0.062)
London	-0.227 (0.221)	-0.089 (0.063)	-0.103* (0.043)
Scotland	0.227 (0.285)	-0.079 (0.081)	-0.049 (0.055)
South-East	-0.082 (0.214)	-0.080 (0.061)	-0.076+ (0.042)
Wales	0.480+ (0.264)	-0.023 (0.074)	-0.022 (0.050)
North-West	-0.380+ (0.224)	-0.056 (0.064)	-0.051 (0.043)
Midlands	-0.050 (0.202)	-0.058 (0.058)	-0.081* (0.039)
Northern Ireland	-0.698 (1.021)	-0.761** (0.236)	-0.721* (0.282)
South-West	-0.218 (0.232)	-0.056 (0.068)	-0.084+ (0.046)

East	0.271 (0.237)	-0.024 (0.067)	-0.018 (0.046)
Demographics			
Age	-0.213*** (0.033)	-0.032*** (0.004)	-0.015** (0.005)
Age-squared	0.002*** (0.000)	0.000*** (0.000)	0.000*** (0.000)
Log income	0.136*** (0.021)	0.039*** (0.006)	0.012** (0.004)
No children	-0.094* (0.037)	-0.015 (0.010)	0.003 (0.007)
Year	-0.005 (0.031)	-0.009*** (0.002)	-0.021*** (0.005)
Constant	28.433	5.578	2.473
R ² (within, between, overall)	0.019/0.061/0.049	0.012/0.012/0.014	0.015/0.054/0.030
N	186442	137248	119745
Log-likelihood	-519456.6	-174053.1	-94750.5
BIC	1039374.4	348555.7	189945.3

Standard errors in parentheses
+ p<.10, * p<.05, ** p<.01, *** p<.001

related to feelings of playing a useful role ($\beta=-0.24$), ability to concentrate ($\beta=-0.20$) and feelings of happiness ($\beta=-0.19$). There are just three dimensions of well-being where no differences between unemployed people and ALMP groups are present: loss of sleep ($\beta=-0.06$; $P=0.17$), feelings of strain ($\beta=-0.05$; $P=0.22$) and ability to overcome difficulties ($\beta=-0.06$; $P=0.15$).

Table 6.5 Dimensions of Well-Being and Relationship to ALMPs and Unemployment

Dimension of well-being	Effect of unemployment relative to ALMP	R ² (within; between; overall)	BIC	N
Eudemonia				
Facing up to problems (<i>Have you been able to face up to problems?</i>)	-0.094**	0.001; 0.031; 0.017	203775.1	186,442
Playing a useful role (<i>Have you recently felt that you were playing a useful role?</i>)	-0.239***	0.012; 0.028; 0.018	245484.2	186,442
Decision-making (<i>Have you recently felt capable of making decisions?</i>)	-0.125***	0.014; 0.039; 0.022	208307.9	186,442
Overcoming difficulties (<i>Have you recently felt you couldn't overcome your difficulties?</i>)	-0.057	0.007; 0.005; 0.004	306253.8	186,442
Self worth (<i>Have you recently been thinking of yourself as a worthless person?</i>)	-0.100**	0.01; 0.028; 0.023	260825	186,442
Confidence (<i>Have you recently been losing confidence in yourself?</i>)	-0.147***	0.013; 0.026; 0.027	306671.5	186,442
Positive affect				
Concentration (<i>Have you recently been able to concentrate on whatever you're doing?</i>)	-0.195***	0.008; 0.009; 0.006	236485.6	186,442
Daily activities (<i>Have you recently been able to enjoy your normal day-to-day activities?</i>)	-0.109**	0.008; 0.028; 0.015	256803.2	186,442
Happiness (<i>Have you recently been feeling reasonably happy, all things considered?</i>)	-0.193***	0.010; 0.016; 0.010	266253	186,442
Negative affect				
Sleep (<i>Have you recently lost much sleep over worry?</i>)	-0.057	0.009; 0.001; 0.001	326816.3	186,442
Strain (<i>Have you recently felt under strain?</i>)	-0.051	0.010; 0.009; 0.006	324873.6	186,442
Depression (<i>Have you recently been feeling unhappy or depressed?</i>)	-0.102*	0.009; 0.014; 0.009	348688.5	186,442

+ p<.10, * p<.05, ** p<.01, *** p<.001

Table 6.5 also assigns the 12 GHQ-12 component parts into the different dimensions of well-being identified above. All in all, there are six measures of eudemonia, defined as the degree of meaning and worth attached to life, as well as a sense of flourishing and control over one's life. The eudemonic concept of well-being is linked to the idea that there is more to happiness than feelings and emotions: rather, happiness is also about a sense of living a worthwhile, autonomous life. In addition to the six measures of eudemonic well-being, there are six measures of affect, defined as the presence of either positive emotions (ability to concentrate, enjoying daily activities and feeling happy) or negative emotions (loss of sleep due to worry, feelings of strain and feelings of depression).

The estimates shown in Table 6.5 largely support the third hypothesis and are generally consistent with the findings from the APS in Chapter Five. First, there is a relatively strong and consistent relationship between ALMP participation and higher positive affect. Two of the three largest effect sizes for ALMPs are for positive affect (concentration and happiness). This is comparable to the APS findings, in which happiness was shown to be a strongly correlated element of well-being for ALMPs. Second, there is also a relatively consistent relationship between ALMPs and higher eudemonia. Out of the six eudemonic indicators, five are statistically significant and show a negative effect of open unemployment relative to ALMPs. Third, ALMPs have a weaker relationship with lower levels of negative affect. There is no difference between the unemployed and ALMP groups vis-à-vis to lost sleep over worry and feelings of strain. This is a parallel finding to that in the

preceding chapter, where ALMPs were not associated with lower anxiety compared to the openly unemployed. Further, although there is a significant and negative association between open unemployment and feelings of depression, this is the second smallest effect relative of ALMPs and is only significant at the 0.05 level. Subsequently, the estimates in Table 6.5 support the third hypothesis and are broadly consistent with the APS findings: ALMPs are seen to have a positive relationship with higher self-evaluation (life satisfaction), eudemonia and positive affect, yet have a negligible association with feelings of lower negative affect.

RESULTS: HEALTH

Contrary to the findings on well-being, Chapter Five showed no evidence to suggest that ALMPs have a positive effect on self-rated health; indeed, the evidence from the APS showed a *negative* association of ALMPs compared to open unemployment. These results suggested that, at best, there are no differences in the health of the two groups and, at worst, ALMPs may have a negative impact on participants' health.

Using BHPS/UKHLS panel data, the subsequent analyses test this revised hypothesis for two indicators of health: self-rated health (as in Chapter Five), and satisfaction with health. Figure 6.6 shows population estimates for the two groups for each indicator of health. Unlike the cross-sectional analyses in the previous chapter, the BHPS/UKHLS estimates suggest that the ALMP group have better health than the openly unemployed, with the ALMP group reporting higher mean scores than the

openly unemployed with confidence intervals that do not overlap, thus indicating the possibility of significant differences. In addition, Figure 6.6 also shows the mean scores for people in paid work, who have higher mean health than unemployed people but seemingly fewer differences with ALMP participants (akin to well-being).

Figure 6.6 Population Estimates of Indicators of Physical Health for Unemployed and ALMP Groups, with 95% Confidence Intervals

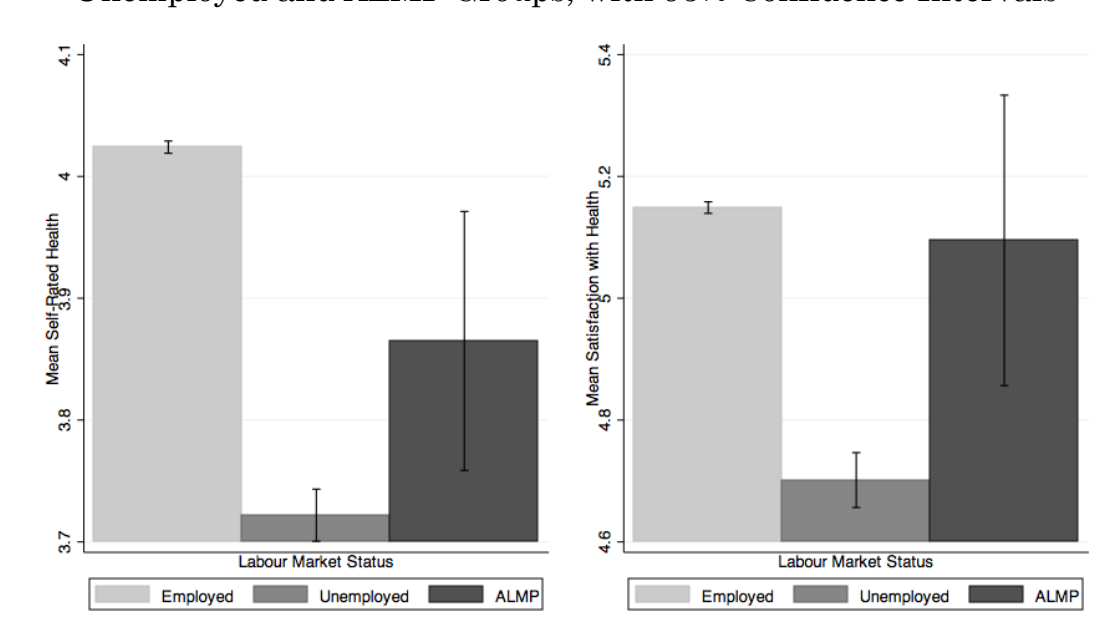


Table 6.7 shows the results of fixed effects models for the two health dependent variables; again, Hausman tests confirmed the choice of the fixed effects models over random effects models. From Table 6.7, it is evident that the regression estimates indicate no statistically significant differences in the health of the unemployed and ALMP groups. Whilst Figure 6.6 suggested there were real differences, once the fixed effects models control for a wide range of covariates, the differences disappear. This suggests that the differences evident in Figure 6.6 are due to the different characteristics of the two groups. For example, a far larger proportion of ALMP participants (51

per cent) are aged 18-24 compared to unemployed people (29 per cent). Thus, the broad indications given by the cross-sectional results in Chapter Four – that there are, at best, no differences between the two groups’ health – are confirmed in the more robust panel estimates in Table 6.7.³⁶

Table 6.7 Fixed Effects Models for Different Indicators of Health

	Model 1	Model 2
	Self-rated health	Satisfaction with health
Current employment status (ref: ALMP)		
Unemployed	-0.003 (0.045)	-0.097 (0.101)
Employed	0.067 (0.045)	0.041 (0.100)
Self-employed	0.088+ (0.046)	0.084 (0.102)
Retired	-0.076+ (0.046)	0.002 (0.102)
Family care	-0.032 (0.046)	-0.061 (0.101)
Student	0.039 (0.047)	-0.096 (0.102)
Sick/Disabled	-0.585*** (0.046)	-0.740*** (0.102)
Maternity	0.053 (0.051)	-0.178+ (0.107)
Other status	-0.069 (0.053)	-0.071 (0.112)
Constant	4.070	6.480
R ² (within, between, overall)	0.025/0.194/0.136	0.025/0.050/0.046
N	162,414	137,662
Log-likelihood	-142910	-200150
BIC	286264.2	400726.6

Standard errors in parentheses
+ p<.10, * p<.05, ** p<.01, *** p<.001

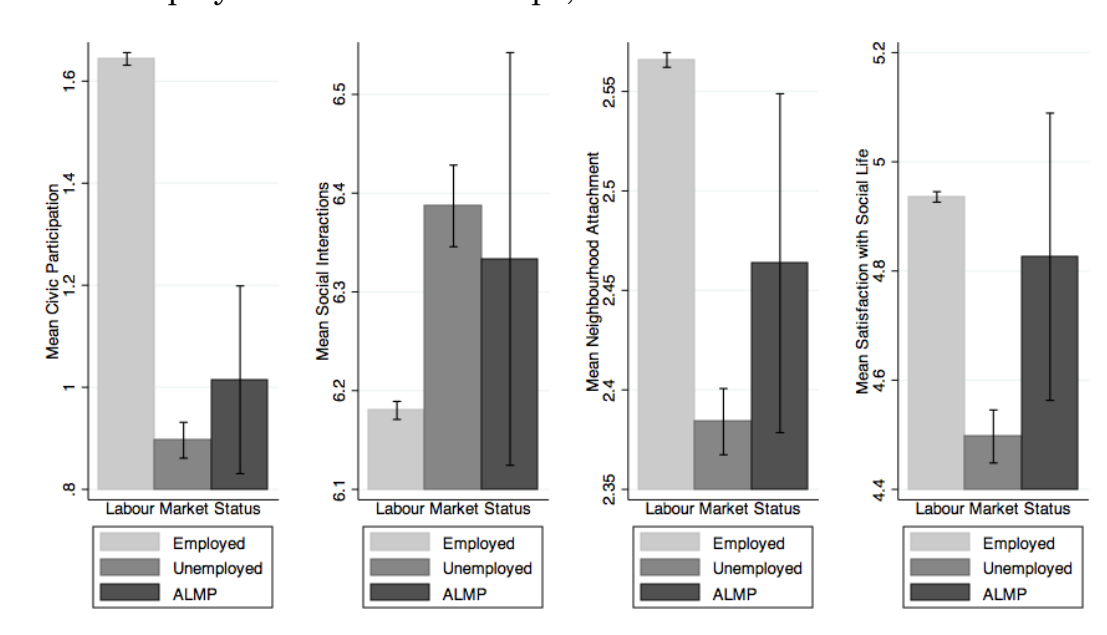
RESULTS: SOCIAL CAPITAL

Finally, Chapter Five also showed that there was no evidence of a relationship between ALMP participation and higher social capital in the cross-sectional data from the Citizenship Survey. The population estimates shown in Figure 6.8 look to support the cross-sectional findings. Thus, although the ALMP group report higher mean scores for civic participation, neighbourhood attachment and satisfaction with social life, the confidence intervals tend to considerably overlap. Further, the two groups appear to have extremely similar levels of social interaction.

³⁶ Tables showing the full results of the fixed effect models for health are in Table A2.2 in Appendix Two.

Like Table 6.7 showed for physical health, Table 6.9 shows no evidence that ALMP participants have higher levels of social capital for the four dependent variables analysed. There are no statistically significant results across the four fixed effects models, which Hausman tests again confirmed as more consistent. Further, with the exception of satisfaction with social life, there are no significant differences between ALMP participants and those in paid work. This is consistent with a key finding from Chapter Five: that labour market status appears to be a weak predictor of social capital. These findings once again reject the original hypothesis and indicate no evidence of an ALMP effect on social capital.³⁷

Figure 6.8 Population Estimates of Indicators of Social Capital for Unemployed and ALMP Groups, with 95% Confidence Intervals



³⁷ Tables showing the full results of the fixed effects models for social capital are in Table A2.3 in Appendix Three.

Table 6.9 Fixed Effects Models for Different Indicators of Social Capital

	Model 1	Model 2	Model 3	Model 4
	Civic participation	Social interactions	Neighbourhood attachment	Satisfaction with social life
Current employment status (ref: ALMP)				
Unemployed	-0.068 (0.091)	-0.009 (0.090)	-0.006 (0.033)	0.040 (0.097)
Employed	0.032 (0.090)	-0.135 (0.089)	0.015 (0.033)	0.270** (0.096)
Self-employed	-0.031 (0.092)	-0.073 (0.091)	0.001 (0.033)	0.262** (0.098)
Retired	-0.139 (0.093)	0.137 (0.091)	0.016 (0.033)	0.186+ (0.098)
Family care	-0.001 (0.091)	0.076 (0.090)	0.027 (0.033)	0.032 (0.097)
Student	0.101 (0.094)	0.126 (0.092)	0.091** (0.034)	0.279** (0.098)
Sick/Disabled	-0.207* (0.093)	0.018 (0.091)	0.007 (0.034)	-0.154 (0.098)
Maternity	-0.199+ (0.105)	-0.008 (0.098)	0.030 (0.037)	0.0356(0.103)
Other status	-0.120 (0.109)	0.014 (0.099)	0.009 (0.038)	0.144 (0.107)
Constant	2.295	5.528	2.149	5.300
R ² (within, between, overall)	0.005/0.009/0.004	0.009/0.016/0.013	0.021/0.015/0.014	0.015/0.070/0.050
N	102,888	130,102	171,129	120,756
Log-likelihood	-136309	-171190.6	-102038.7	-160649.3
BIC	272845.1	342817	204523.2	321743.2

Standard errors in parentheses
+ p<.10, * p<.05, ** p<.01, *** p<.001

SUMMARY

The first section of this chapter utilized panel data to expand upon the cross-sectional investigations of Chapter Five. The rationale behind this approach is based upon the limitations of cross-sectional data, which can show associations between variables but not causality due to unobserved heterogeneity and omitted variable bias. Longitudinal panel data, it was argued, allows researchers to control for unobserved heterogeneity using techniques such as fixed effects models. Consequently, causal inference is improved.

Using the long-running British Household Panel Survey and its successor Understanding Society, this section estimated comparable models to Chapter Five but subjected them to the more rigorous demands of panel methods. The results however largely confirm the cross-sectional findings of the previous chapter. Thus, ALMPs are associated with an improved

experience of unemployment in the context of subjective well-being, with participants reporting higher levels of life satisfaction, eudemonia and positive emotions compared to unemployed non-participants. Importantly, the finding that these associations remain significant when tested in fixed effects models strengthens the argument that ALMPs have a *causal function* vis-à-vis well-being and are not the consequence of any unobserved characteristics of ALMP participants. Further, the comparable findings from Chapters Five and Six are from two distinct time periods: 2011-2013 (APS) and 1991-2010 (BHPS/UKHLS). This suggests that the observed pattern – of higher well-being amongst ALMP participants – is consistent over a long period of time despite important policy change. However, the panel estimations also show that there are limitations to the health and social benefits of ALMPs. Like the APS and CS findings, there is minimal evidence that ALMPs ameliorate the presence of negative emotions, nor promote better health outcomes or provide unemployed people with stronger social capital.

Whilst panel data are useful for improving causal inference via fixed and random effects models, they are also valuable in terms of exploring questions of a longitudinal nature that are unattainable in cross-sectional analyses. The results thus far indicate a relatively consistent and robust association between ALMPs and subjective well-being. Subsequently, this section of the chapter utilizes the longitudinal element of the BHPS/UKHLS to explore the relationship between ALMPs and well-being over time. Key questions include: a) whether there are any pre-programme differences between ALMP participants and unemployed people; b) whether the

transition into an ALMP is associated with improved well-being; and c) whether there are any long-term implications arising from ALMP participation.

Labour Market Transitions and Long-Term Consequences

LABOUR MARKET TRANSITIONS

The panel data analysis conducted in the first section of this chapter demonstrated that ALMP participants have a significantly higher level of well-being compared to openly unemployed people. Further, the methods used for this analysis – fixed effects models – were able to strengthen the claims of the relationship due to the ability to control for unobserved heterogeneity. However, as Chapter Four argued, there are two key limitations. Firstly, it is unknown whether well-being differences between ALMP participants and unemployed people exist *prior* to the transition into either status: selection bias. Second, it is unclear at what stage differences in well-being between the two groups emerge. To examine these limitations, this chapter examines the well-being impact of three different transitions. To recap from Chapter Four (see Figure 4.2), these are:

- a) *Newly unemployed people*: individuals who move to an ALMP or unemployment from a position of non-unemployment a year prior.
- b) *Long-term unemployed people*: individuals who are on an ALMP or unemployed and were unemployed a year prior.
- c) *Non-unemployed people*: individuals who are not unemployed but were unemployed or on an ALMP a year prior.

For each of the three transitions, two sets of models are estimated that aim to strengthen the causal inference of the analyses. In the first set of models,

Year 1 well-being is compared to test for any significant differences in the year prior to the transition of interest. For example, for Transition B in Figure 4.2, in Year 2 there are (a) long-term unemployed people and (b) ALMP participants. However, all of these individuals were long-term unemployed in Year 1. The first set of models would thus test for any Year 1 well-being differences when all individuals are long-term unemployed. The purpose of this analysis is to control for *selection bias*: the claim, for example, that long-term unemployed people with higher well-being might be more likely to transition to an ALMP. If there are no ‘pre-treatment’ well-being differences between the two groups at Year 1, this strengthens the claim that any observed differences in Year 2 are attributable to the intervention. In the second set of models, the objective is to analyse and compare the scale of well-being change between Years 1 and 2. Using the same example of Transition B, the key question is whether the transition to ALMP from long-term unemployment is associated with a positive change in well-being compared to individuals who remained long-term unemployed. In addition, well-being at the second, ‘post-intervention’ time-point – Year 2 – is also compared.

The analyses in both the preceding chapter and the present one indicate that ALMPs have a positive well-being effect but are ineffective in terms of health and social capital. Thus, the subsequent estimations focus exclusively on well-being using the GHQ-12 measure examined above. The models also control for the same range of independent variables as above; however, for ease of interpretation, the samples for the transition analyses are restricted to the ALMP and openly unemployed groups. As random

effects models produce estimates based on both within- and between-group variation, they are preferred to fixed effects models as there are relatively few instances in which the same individuals are recorded twice within a sample. This limits the power of fixed effects models, which produce estimates using within-group variation only. In all instances, a valid labour market transition is defined as change between two *consecutive* waves of the BHPS/UKHLS. For example, an individual who is unemployed in Wave A of the BHPS, missing in Wave B and employed in Wave C would initially be recorded as a case for Transition C in Table 4.2: the move from unemployment to non-unemployment. However, this is not a valid labour market transition: there is no information about the individual in the intermediate year. Such cases are excluded from the subsequent analyses, which are restricted to qualifying individuals for whom data are available for two consecutive waves of the survey.

SHOCK: SHORT-TERM UNEMPLOYMENT

To recall, there are two main limitations of the existing analyses: (1) the possible of selection bias (that any observed differences in well-being exist prior to the intervention) and (2) heterogeneity in individuals' experience of unemployment (short-term unemployment is very different to long-term unemployment). In terms of (1), the key issue is that previous results are unable to reveal whether there are any 'pre-intervention' GHQ-12 differences between participants and non-participants. Regarding (2), the unanswered question is whether ALMPs are effective at each stage of the unemployment

experience: initial unemployment, long-term unemployment and re-employment.

The following sections aim to address these two limitations by examining different types of labour market transition. The first type of transition is the impact of ALMP participation on newly unemployed people. This is defined as people who are either unemployed or an ALMP in Year 2 but non-unemployed (i.e. not unemployed/not on an ALMP) at Year 1. The objective of this section is to examine whether ALMPs modify the initial psychological ‘shock’ of job loss amongst those who have been unemployed for less than a year.

Within this broader transition, three sub-transitions with increasing specificity are examined. In the first and least specific sub-transition, the sample includes individuals who are unemployed/ALMP in Year 2 but non-unemployed in Year 1. In this definition, non-unemployed includes *any other labour market status*³⁸ and thus consists of all individuals who are newly unemployed or newly enrolled on to an ALMP. In the second sub-transition, the Year 1 categorization is more specific. Thus, individuals are unemployed/ALMP in Year 2 but *off benefits* in Year 2. In this instance, ‘off benefits’ refers to individuals who are not unemployed/ALMP or sick/disabled and thus not in receipt of the two main working-age benefits: Jobseeker’s Allowance and Employment and Support Allowance (and its predecessor

³⁸ Any other labour market status includes: employed; self-employed; retired; family care; full-time student; sick/disabled; maternity; any other status. Thus, a person recorded as ‘unemployed’ in Year 2 has moved from any of these statuses in Year 1.

Incapacity Benefit). The purpose of this categorization is to exclude those who transition to unemployment/ALMP from the comparable position of disadvantage associated with sick/disabled people. Thus, the sample is restricted to those who have moved from a position of relative labour market advantage to relative disadvantage. In the final sub-transition, the Year 1 categorization is even more specific and restricted to those who are in paid work (employed or self-employed). Thus, the third sample consists of those who move from paid work to unemployment/ALMP. The three sub-transitions and respective sample sizes are shown in Figure 6.10.

As stated above, there are two sets of regression analyses carried out for each transition. In the first instance, well-being is compared at Year 1. The objective here to test for systematic differences that exist between the two groups *prior to* unemployment or ALMP enrolment. If no differences are evident in well-being at Year 1, for example, this strengthens the causal claims attributable to ALMPs. In the second instance, two dependent variables are analysed: (a) change in well-being between Years 1 and 2 and (b) Year 2 well-being. The aim of these analyses is to test whether the transition to unemployment is associated with a significantly sharper fall in well-being compared to moving to an ALMP, as well as to provide a comparable set of GHQ-12 estimates for both Years 1 and 2.

The three graphs in Figure 6.11 show mean change in GHQ-12, split between individuals who are non-unemployed in Year 1 and either (a) unemployed or (b) on an ALMP in Year 2. The first graph shows people who

transition to unemployment/ALMP from ‘any other status’, the second graph from ‘off benefits’ and the third graph from ‘paid work’. The vertical lines around each marker signify 95 per cent confidence intervals. In all three graphs, the black lines show that entry into unemployment is associated with a sharp decline in well-being. Unsurprisingly, this suggests becoming unemployed is harmful for well-being irrespective of how people enter into it.

Contrastingly, the grey lines show that entry into an ALMP is associated with a negligible or even positive effect on well-being. In the most specific third graph – in which the sample is restricted to those who move to ALMP/unemployment from paid work – there is a positive, but seemingly negligible change in well-being for new ALMP participants of 0.53. However, for newly unemployed individuals who were in paid work in Year 1, there is a sharp and significant decline in well-being of 1.88. Importantly, in all three graphs the two groups appear to have comparable well-being in Year 1, yet divergent well-being in Year 2 when different statuses are assumed: especially in the first and third graphs.

Figure 6.10 Newly Unemployed Transitions

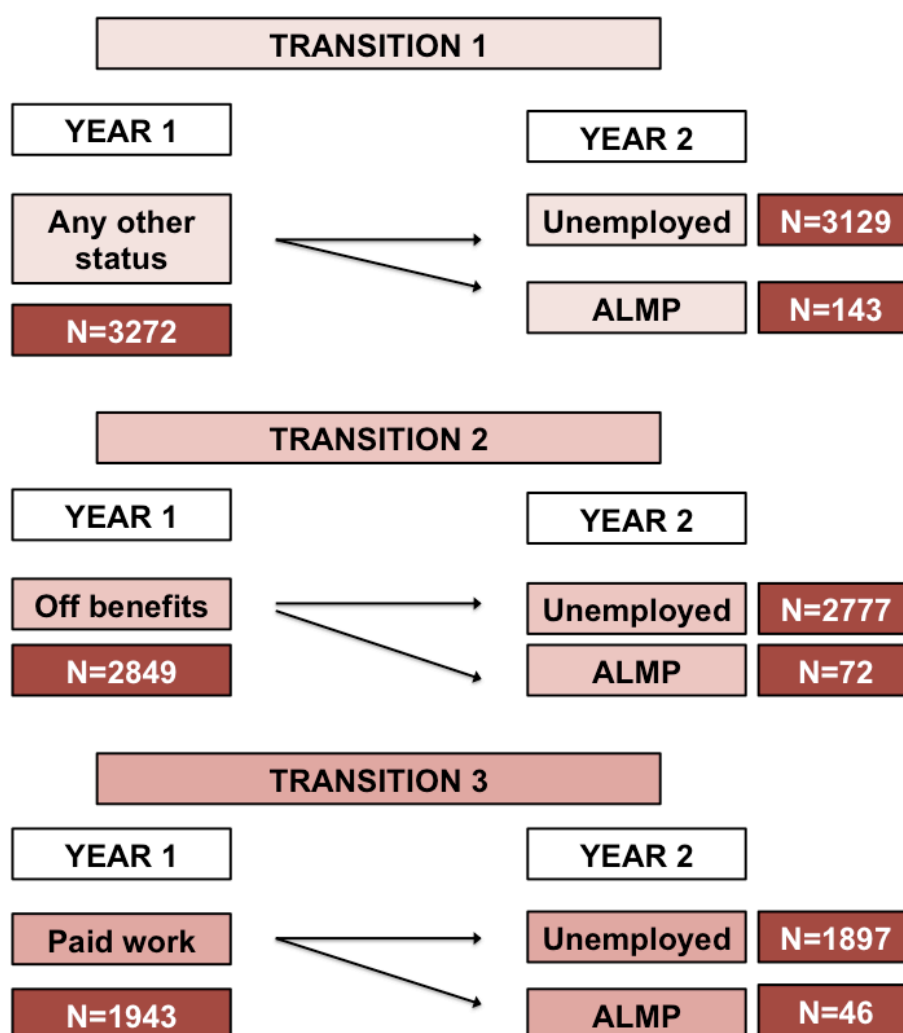


Table 6.12 shows the results of three random effects models for the different transitions outlined in Figure 6.10. The dependent variable is GHQ in Year 1 and the primary independent variable is future labour market status at Year 2, differentiated between ALMP participants and unemployed people. The three models also control for the wide range of other independent variables previously stated, with the full models shown in Table A2.4 in Appendix Two. As suggested by the comparable Year 1 well-being estimates shown in Figure 6.12, Table 6.13 shows that there are no Year 1 differences in well-being between the two groups. This means that prior to becoming unemployed or

enrolling onto an ALMP, such individuals are equivalent in well-being. There is thus no evidence of *selection bias*: the hypothesis that people who enter an ALMP during the first year of unemployment have significantly higher well-being than unemployed people who do not.

Figure 6.11 Average Change in GHQ-12: Newly Unemployed People

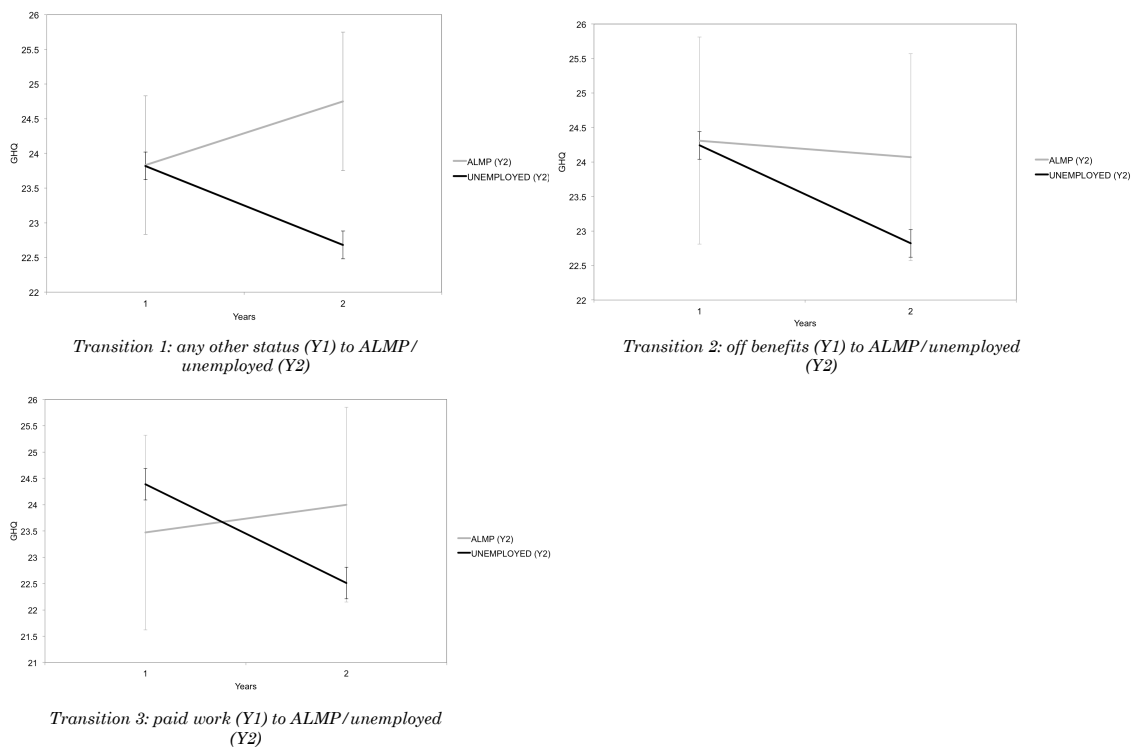


Table 6.12 Random Effects Models for Year 1 GHQ-12 by Year 2 Labour Market Status (Short-Term Unemployed)

	Model 1 (Year 1: <i>any other status</i>)	Model 2 (Year 1: <i>off benefits</i>)	Model 3 (Year 1: <i>in paid work</i>)
	Year 1 GHQ-12	Year 1 GHQ-12	Year 1 GHQ-12
Year 2 employment status (ref: ALMP)			
Unemployed	0.356 (0.509)	-0.251 (0.696)	1.054 (0.846)
Constant	24.644	26.375	25.172
R ² (within, between, overall)	0.014/0.062/0.060	0.013/0.053/0.053	0.023/0.061/0.061
N	3272	2849	1943

Standard errors in parentheses
+ p<.10, * p<.05, ** p<.01, *** p<.001

Table 6.12 thus suggests that non-unemployed individuals who will later enter into unemployment or an ALMP are equivalent vis-à-vis well-being prior to this transition. Subsequently, Table 6.13 examines whether Year 2 labour market status predicts (a) well-being change from the year prior (models 4, 6 and 8) and (b) well-being at Year 2 (models 5, 7 and 9). The first key question is whether ALMPs act as a protective ‘buffer’ against the loss of well-being typically associated with becoming unemployed. The results from Table 6.13 provide relatively strong evidence that this is the case. For Models 4 and 8, moving into unemployment is associated with a significantly larger drop in well-being compared to moving into an ALMP. Further, the difference in well-being change between the two groups is relatively large. Model 4 shows, for example, that people who move to unemployment in Year 2 from paid work in Year 1 are predicted to experience a decline in GHQ-12 of over 2 points compared to those who move to an ALMP from paid work. In Model 6, there is no difference in well-being change between the two groups. The likely explanation for this finding is that the ‘off benefits’ group includes people such as lone parents - for whom the transition to employment training schemes such as ALMPs may bring about significant new pressures and anxieties - and those who have recently finished full-time education, who might consider ALMPs to be ineffective or unnecessary.³⁹

In relation to well-being at Year 2, the openly unemployed group has lower well-being than the ALMP group, although this is only statistically significant in Model 5. For example, in Model 9 - which only examines

³⁹ Models showing full list of control variables are shown in Table A2.5 in Appendix Two.

individuals who were in paid work in Year 1 – ALMP participants and the openly unemployed are equivalent in well-being. Nevertheless, although statistically insignificant the direction of the coefficients has changed: in Year 1, the Year 2 unemployed group has higher well-being (Model 3), whilst in Year 2 they have lower well-being (Model 9). Further, although the two groups have comparable well-being in Year 2, the results from Model 8 show that transitioning to an ALMP from paid work is associated with a significantly smaller loss in well-being compared to the transition to unemployment.

In summary, there are two main findings here. First, there is no evidence of selection bias: prior to becoming unemployed, ALMP participants and openly unemployed people have equivalent well-being. Second, ALMPs ameliorate the well-being loss associated with becoming unemployed: openly unemployed people tend to experience a significantly larger decline in well-being compared to ALMP participants.

Table 6.13 Random Effects Models for (a) GHQ-12 Change and (b) Year 2 GHQ-12 by Year 2 Labour Market Status (Short-Term Unemployed)

	Model 4 (Year 1: <i>any other status</i>)	Model 5 (Year 1: <i>any other status</i>)	Model 6 (Year 1: <i>off benefits</i>)	Model 7 (Year 1: <i>off benefits</i>)	Model 8 (Year 1: <i>in paid work</i>)	Model 9 (Year 1: <i>in paid work</i>)
	GHQ-12 change Y1-Y2	GHQ-12 Year 2	GHQ-12 change Y1-Y2	GHQ-12 Year 2	GHQ-12 change Y1-Y2	GHQ-12 Year 2
Employment status at Year 2 (ref: ALMP)						
Unemployed	-2.288*** (0.594)	-1.847** (0.539)	-1.239 (0.823)	-1.369+ (0.787)	-2.463* (1.030)	-0.977 (1.002)
Constant	3.152	30.868	0.838	29.844	-0.217	26.531
R ² (within, between, overall)	0.020/0.012/0.013	0.022/0.045/0.044	0.001/0.016/0.014	0.014/0.039/0.038	0.002/0.023/0.021	0.026/0.042/0.041
N	3272	3272	2849	2849	1943	1943

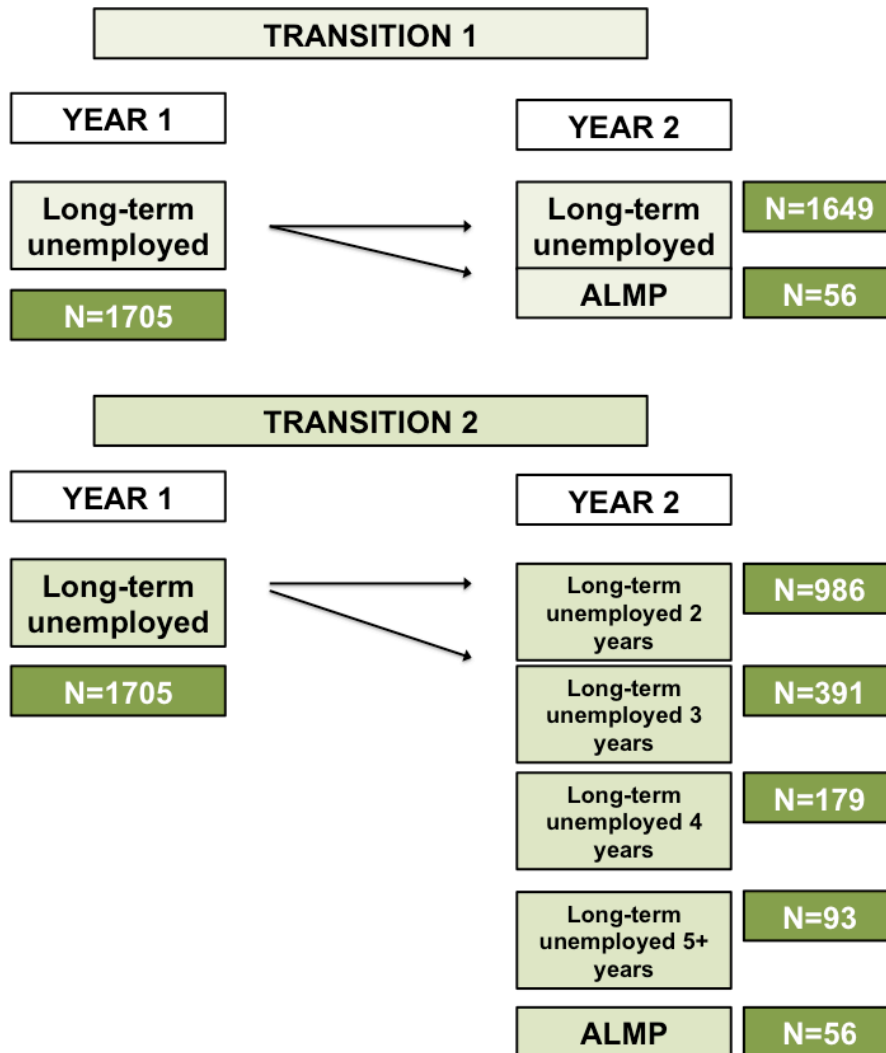
Standard errors in parentheses
+ p<.10, * p<.05, ** p<.01, *** p<.001

ADAPTATION: LONG-TERM UNEMPLOYMENT

This section examines a second form of transition: entry into an ALMP from a position of long-term unemployment, which is defined as being recorded as unemployed in the survey wave prior to stating ALMP participation. This means that ALMP participants in this sample have been unemployed for at least one year prior to programme enrolment. In the following analyses, the well-being of the ALMP group is compared with a group who are *continuously unemployed*: i.e. unemployed in Year 1 and unemployed in Year 2. The aim of this analysis is to explore whether ALMP participation aids psychological ‘adaptation’ to job loss amongst unemployed people. This is crucial: recovering from the psychological shock of a major event – known as ‘hedonic adaptation’ – is notoriously absent from the experience of unemployment, with most studies showing that people fail to ‘get used’ to being unemployed. Further, there is little known about which processes and interventions can promote adaptation to job loss amongst unemployed people. Thus, whereas

the previous section examined the effect of ALMPs to the initial ‘shock’ of becoming unemployed, this section looks at the role of ALMPs in promoting ‘adaptation’ to long-term joblessness.

Figure 6.14 Long-Term Unemployed Transitions



In the subsequent models, the ALMP group is compared to two different levels of continuous, long-term unemployment. In the first step, long-term unemployed ALMP participants are compared to the continuously unemployed as a whole: i.e. all individuals who record unemployment in two consecutive waves of the BHPS/UKHLS. In the second step, the continuously unemployed group is separated by length of unemployment,

ranging from unemployed for two years to unemployed for five or more years. The objective of this approach is to explore whether ALMP entry is associated with well-being gains at each stage of long-term unemployment. It might be the case, for example, that ALMP participation has a more positive well-being effect compared to the two-year rather than five-year unemployed group, with the latter plausibly ‘acclimatising’ to unemployment. As with the previous section, two sets of models are presented: the first set tests for selection bias (*dependent variable: Year 1 GHQ-12*) and the second for significant changes in well-being (*dependent variables: (a) GHQ-12 change; (b) Year 2 GHQ-12*).

In the following samples, individuals are only included if it is their first experience of unemployment. Thus, for a person who is unemployed, re-employed and then subsequently unemployed again, the second spell of unemployment is excluded from the analysis. This is to ensure that individuals who have previous experience of unemployment – and may, to some extent, be better prepared for job loss – do not bias the results. The two different stages of the analysis are illustrated in Figure 6.14.

Figure 6.15 compares mean change in GHQ-12 between (a) long-term unemployed people who move to an ALMP in the subsequent year and (b) long-term unemployed people who remain unemployed. As is clear, group (a) – the ALMP participants in Year 2 – experience a notable average increase in well-being (2.41 GHQ-12 points) upon transitioning into ALMP. For people who remain unemployed however, there is a relatively static change in well-being: GHQ-12 falls by an average 0.14 points, although this looks

statistically insignificant. Importantly, whilst well-being appears comparable in Year 1, the confidence intervals in Year 2 do not overlap, suggesting that ALMP participation has the effect of significantly increasing well-being relative to openly long-term unemployed people.

Figure 6.15 Average Change in GHQ-12: Long-Term Unemployed People

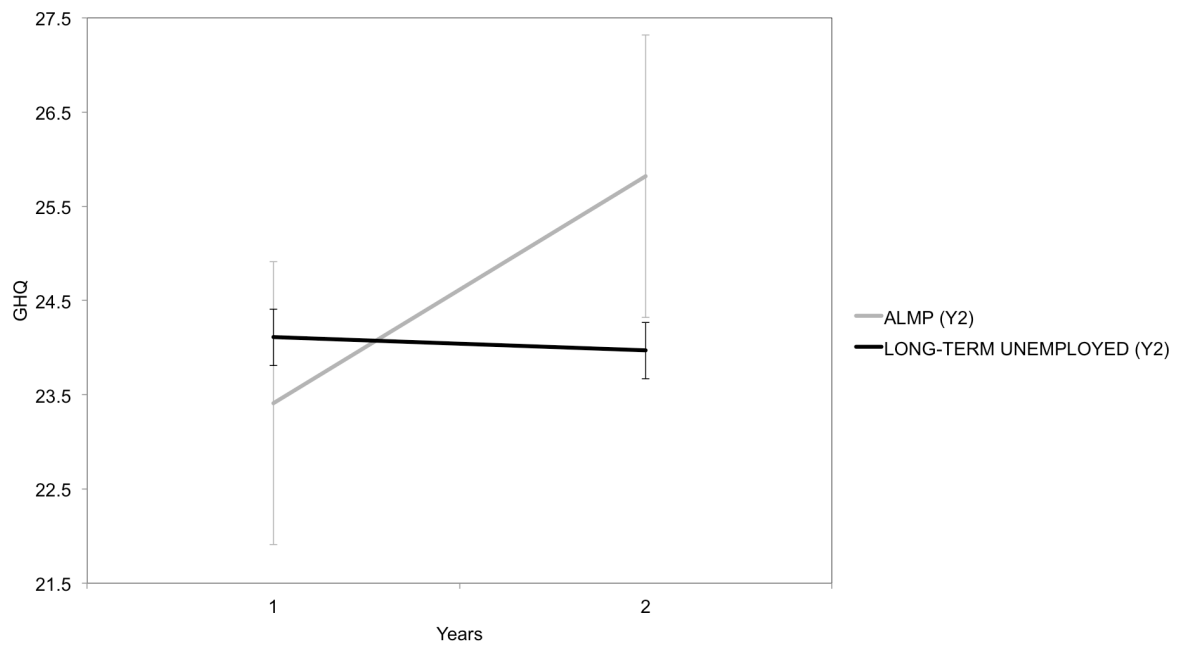
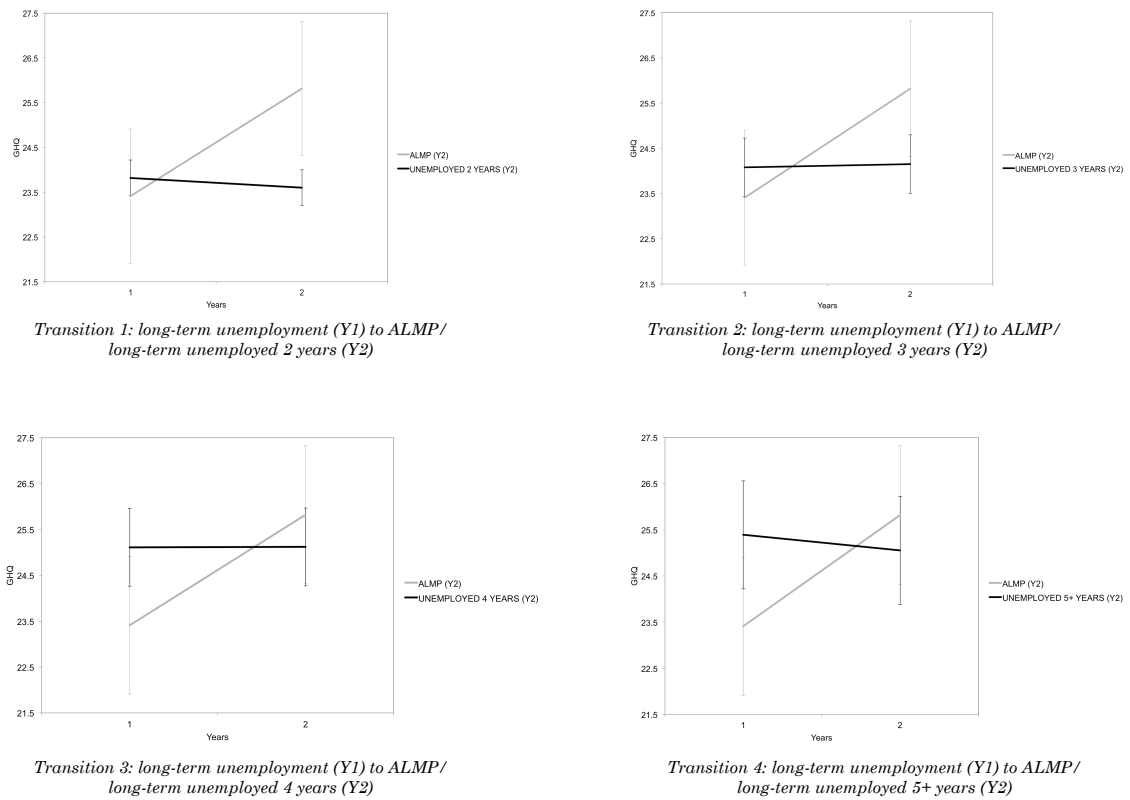


Figure 6.16 Average Change in GHQ-12: Long-Term Unemployed People by Length of Unemployment



However, Figure 6.16 shows that the relative effect size of ALMP participation, compared to continuous unemployment, appears to vary according to how long the unemployed group has been out of work. This is due to the apparently linear relationship between length of long-term unemployment and well-being: the longer individuals are out of work, the higher well-being is. For example, in Year 2 individuals out of work for 2 years have a mean GHQ-12 score of 23.8, whilst those out of work for 5 or more years have a mean GHQ-12 score of 25.1. At a first instance then, the estimates suggest that the long-term unemployed show signs of ‘adaptation’ to unemployment. Consequently, whilst ALMPs appear to increase the well-being of the long-term unemployed, their efficacy in promoting ‘adaptation’

might be restricted to individuals who have been unemployed for 1-3 years, who appear un-adjusted to job loss, as opposed to the more long-term groups, who appear to ‘adapt’ to unemployment irrespective.

However, the random effects results in Table 6.17, which regress Year 1 well-being on Year 2 labour market status, cast doubt over whether this process of adaptation is as strong as the population estimates in Figure 6.16 suggest. Thus, although there are large mean differences in Year 1 GHQ-12 between future ALMP participants and the very long-term unemployed, these differences are not evident in the regression estimates in Table 6.17. Again, this is evidence against selection, as long-term unemployed people who are happier anyway are not ‘selecting themselves’ onto ALMPs. Thus, there are no ‘pre-treatment’ differences between the ALMP and continuously unemployed groups.

Table 6.17 Random Effects Models for Year 1 GHQ-12 by Year 2 Labour Market Status (Long-Term Unemployed)⁴⁰

	Model 7 (Year 1: <i>long-term unemployed</i>)	Model 8 (Year 1: <i>long-term unemployed</i>)
	Year 1 GHQ-12	Year 1 GHQ-12
Employment status at Year 2 (ref: ALMP)		
Long-term unemployed	0.507 (0.786)	-
Long-term unemployed (2-3 years)	-	0.416 (0.790)
Long-term unemployed (3-4 years)	-	0.651 (0.819)
Long-term unemployed (4-5 years)	-	0.983 (0.866)
Long-term unemployed (5+ years)	-	0.418 (0.940)
Constant	30.266	29.642
Adjusted R ²	0.002/0.072/0.087	0.004/0.072/0.088
N	1705	1705

Standard errors in parentheses
+ p<.10, * p<.05, ** p<.01, *** p<.001

⁴⁰ Full models with all control variables shown in Table A2.6 in Appendix Two.

Table 6.18 tests whether Year 2 labour market status predicts (a) well-being change from the year prior and (b) well-being at Year 2. The primary question in these analyses is whether ALMPs promote ‘adaptation’ to long-term unemployment in the form of higher well-being. The random effects estimates in Table 6.18 strongly suggest this is the case.⁴¹ In the first step, Models 9 and 10 show that moving to an ALMP from a position of long-term unemployment is associated with increased well-being compared to remaining unemployed. For example, remaining unemployed is associated with a decline in GHQ-12 of 2.7 points compared to entering an ALMP (Model 9). Further, the results from Model 10 show that the long-term unemployed have significantly lower well-being than the ALMP group in Year 2. This is set in the context of the results from Model 7, which showed no such well-being differences between the two groups in Year 1. Further, the results from Models 11 and 12 – which separate the continuously unemployed group by length of unemployment – suggest this positive ALMP effect exists relative to each stage of long-term unemployment. Thus, the ALMP group has significantly higher well-being than the long-term unemployed group irrespective of length of unemployment. In conclusion then, these findings mirror those found amongst the short-term unemployed in suggesting a positive, causal function of ALMPs. In sum, prior to ALMP participation there are no well-being differences within the long-term unemployed; subsequently however, ALMPs appear to help the long-term unemployed ‘adapt’ to job loss by increasing the well-being of those who enrol. Within the

⁴¹ Hausman tests show that random effects models should be preferred. Full models with control variables shown in Table A2.7 in Appendix Two.

broader pool of long-term unemployed people then, ALMP participants have the highest well-being.

Table 6.18 Random Effects Models for (a) GHQ-12 Change and (b) Year 2 GHQ-12 by Year 2 Labour Market Status (Long-Term Unemployed)

	Model 9 (Year 1: <i>long-term unemployed</i>)	Model 10 (Year 1: <i>long-term unemployed</i>)	Model 11 (Year 1: <i>long-term unemployed</i>)	Model 12 (Year 1: <i>long-term unemployed</i>)
	GHQ-12 change Y1-Y2	GHQ-12 Year 2	GHQ-12 change Y1-Y2	GHQ-12 Year 2
Employment status at T (ref: ALMP)				
Long-term unemployed	-2.700** (0.869)	-2.255** (0.794)		
Long-term unemployed (2-3 years)	-	-	-2.756** (0.878)	-2.330** (0.798)
Long-term unemployed (3-4 years)	-	-	-2.517** (0.916)	-2.100* (0.823)
Long-term unemployed (4-5 years)	-	-	-2.626** (0.984)	-1.861* (0.865)
Long-term unemployed (5+ years)	-	-	-2.943** (1.087)	-2.531** (0.930)
Constant	0.834	30.746	0.839	30.992
Adjusted R ²	0.011/0.018/0.014	0.029/0.072/0.09	0.008/0.018/0.014	0.030/0.072/0.091
N	1705	1705	1705	1705

Standard errors in parentheses
+ p<.10, * p<.05, ** p<.01, *** p<.001

RE-INTEGRATION: EXITING UNEMPLOYMENT

This final section explores a third type of labour market transition: *exit* from open unemployment or ALMP. In the context of the BHPS/UKHLS, unemployment exit is defined as recording unemployment/ALMP in Year 1 and ‘non-unemployment’ in Year 2. In the subsequent models, the well-being of the ALMP and unemployed groups are compared a year after recording leaving unemployment or ALMP. The prime objective of this section is to examine whether there is a *long-term* impact of ALMPs on well-being once programme participation is complete and individuals are no longer

unemployed. Theoretically, there are three main reasons why this might be expected. First, participating in an ALMP whilst unemployed could provide participants with higher skills compared to non-participants, which may lead to better employment conditions (Andersen, 2008). Second, ALMPs might provide individuals with a stronger sense of self-efficacy and self-esteem that might persist when participants are re-employed (Creed et al., 2001). Third, unemployment has been hypothesized as having a long-term, scarring effect on mental health: ALMPs might mitigate this scarring effect by diluting the well-being impact of unemployment as it occurs. Alternatively, a contrasting hypothesis is that ALMPs act as short-term ‘relief’ for unemployed people: an effect that disappears once people go back to work.

There are two sub-transitions examined within this wider move of unemployment exit. In the first transition, the sample consists of individuals who are unemployed/ALMP in Year 1 but ‘*off benefits*’ in Year 2. Akin to the first section (the transition to short-term unemployment), ‘*off benefits*’ includes any labour market status that does not involve claiming the two main working-age unemployment and disability benefits. In the second sub-transition, the Year 2 category is more highly specified and restricts the sample to those who exit unemployment/ALMP to the labour market (either employed or self-employed). As with the first and second sections, two sets of models are presented: Year 1 well-being and change in well-being at Year 2. The two sub-transitions are illustrated in Figure 6.19.

Figure 6.19 Unemployment Exit

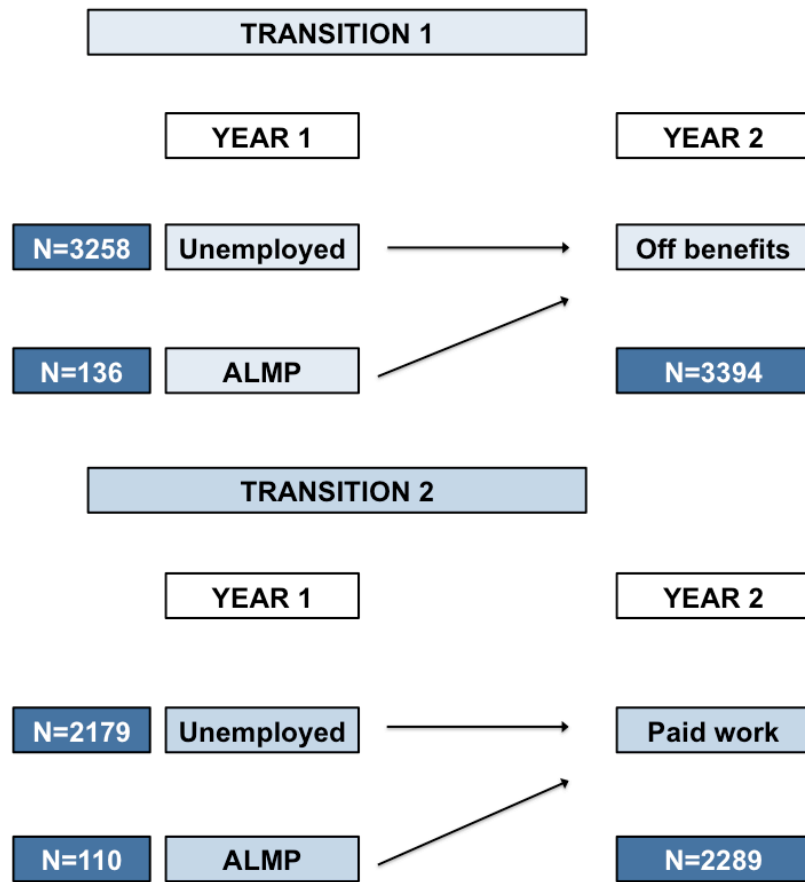
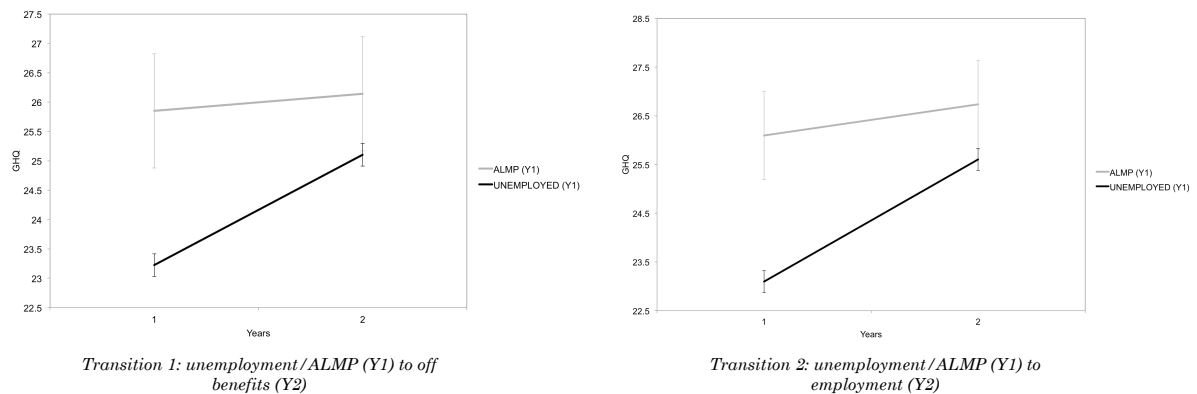


Figure 6.20 compares average change in GHQ-12 between ALMP participants and unemployed people who exit unemployment between Years 1 and 2. Initially, the estimates for change in GHQ-12 do not support the hypothesis that ALMPs have long-term well-being effects that persist upon re-entry to the labour market. In both graphs, ALMP participants in Year 1 appear to have far higher well-being compared to unemployed non-participants. However, in Year 2 – when individuals exit unemployment, either to ‘off benefits’ or to employment – the openly unemployed group experience a far steeper rise in well-being compared to ALMP participants. This thus suggests that ALMPs provide a short-term well-being boost whilst individuals

are unemployed. Consequently, this boost appears to disappear when people exit unemployment, as unemployed people who were not ALMP participants ‘catch up’ to those who were.

Figure 6.20 Average Change in GHQ-12: Unemployment Exit



The random effects estimates in Table 6.21 confirm the well-being differences observable in the graphs in Figure 6.20 at Year 1.⁴² Thus, prior to exiting unemployment, the openly unemployed have significantly lower GHQ-12 compared to ALMP participants. This is true of individuals who exit unemployment to both (a) ‘off benefits’ and (b) paid work. However, the estimates in Table 6.22 show that in Year 2 – when all individuals have exited unemployment – well-being is equivalent between the previous ALMP and unemployed groups (Models 16 and 18).⁴³ In other words, the well-being differences observed in Year 1 disappear in Year 2. The estimates in Models 15 and 17 show that this is largely because leaving benefits and re-employment are associated with significantly larger increases in well-being

⁴² Full models with all control variables shown in Table A2.8 in Appendix Two.

⁴³ Full models with all control variables shown in Table A2.9 in Appendix Two.

for the openly unemployed compared to ALMP participants. When the openly unemployed return to work, for example, GHQ-12 increases by an average of 1.42 points higher than returning ALMP participants (Model 17). This is a crucial finding and challenges the hypothesis that ALMPs have long-term effects. Rather, ALMPs appear to have short-term effects on well-being whilst people are unemployed. When individuals exit unemployment, the well-being of non-participants appears to ‘catch up’ with the well-being of the previous ALMP cohort.

Table 6.21 Random Effects Models for Year 1 GHQ-12 by Year 1 Labour Market Status (Non-Unemployed)

	Model 13 (Year 2: <i>off benefits</i>)	Model 14 (Year 2: <i>in paid work</i>)
	GHQ-12 Year 1	GHQ-12 Year 1
Employment status at Year 1 (ref: ALMP)		
Unemployed	-1.957*** (0.558)	-2.346*** (0.642)
Constant	28.297	27.360
Adjusted R ²	0.007/0.049/0.045	0.004/0.044/0.042
N	3394	2289

Standard errors in parentheses
+ p<.10, * p<.05, ** p<.01, *** p<.001

Table 6.22 Random Effects Models for (a) GHQ-12 Change and (b) Year 2 GHQ-12 by Year 1 Labour Market Status (Non-Unemployed)

	Model 15 (Year 2: <i>off benefits</i>)	Model 16 (Year 2: <i>off benefits</i>)	Model 17 (Year 2: <i>in paid work</i>)	Model 18 (Year 2: <i>in paid work</i>)
	GHQ-12 change Y1-Y2	GHQ-12 Year 2	GHQ-12 change Y1-Y2	GHQ-12 Year 2
Employment status at Year 1 (ref: ALMP)				
Unemployed	1.427* (0.580)	-0.589 (0.492)	1.586* (0.663)	-0.701 (0.529)
Constant	-6.174	26.560	-3.623	28.902
Adjusted R ²	0.005/0.025/0.01	0.000/0.055/0.051	0.003/0.021/0.018	0.001/0.043/0.038
N	3394	3394	2289	2289

Standard errors in parentheses
+ p<.10, * p<.05, ** p<.01, *** p<.001

Conclusions

This chapter expands upon the cross-sectional analysis presented in Chapter Five by exploiting the unique characteristics of a panel dataset – the British Household Panel Survey (BHPS) and its successor Understanding Society (UKHLS) - to explore whether a causal function can be attributed to ALMPs and well-being, health and social capital outcomes. To achieve this, two approaches were utilized. First, fixed effects models – which can improve causal inference by controlling for *unobserved heterogeneity* – were estimated for a wide range of dependent variables. Second, the longitudinal design of the BHPS/UKHLS was used to explore how different types of labour market transition - between unemployment, ALMPs and paid work - interacted with well-being. There are four main findings from this chapter:

1. **There is evidence that ALMPs cause higher well-being amongst unemployed people.** The results from the fixed effects models showed that there was a positive effect of ALMP participation on three different indicators of well-being: GHQ-12 (psychological distress), life satisfaction and reflective life satisfaction. Importantly, these models are able to effectively deal with unobserved heterogeneity, which strengthens causal inference. The results also confirmed another finding from Chapter Five: that the well-being effect of ALMPs is strongest for indicators of self-evaluative/eudemonic well-being and positive affect, but negligible for negative affect. In sum, these findings support those from Chapter Five, providing a strong evidence base linking ALMPs to higher well-being.

2. **There is no indication that there are physical health or social capital benefits to ALMPs.** Further fixed effects models on a range of health and social capital outcomes showed no difference between ALMP participants and the openly unemployed. These findings mirror the cross-sectional evidence from Chapter Five and strongly suggest there are no health or social capital benefits from ALMPs.
3. **ALMPs provide a short-term boost to well-being for both new and long-term unemployed people.** Analysis of labour market transitions showed that moving to an ALMP increased the well-being of both short-term and long-term unemployed people. ALMPs appear to protect people from the psychological ‘shock’ of becoming unemployed, whilst also helping the long-term unemployed ‘adapt’ to job loss. Further, there was no evidence of selection bias: ALMP participants were not more likely to have higher well-being prior to programme involvement, with well-being gains being observed post-participation.
4. **The well-being benefits of ALMPs disappear once people exit unemployment.** Andersen (2008) hypothesizes a long-term effect of ALMP participation on well-being, based around the idea of improved skills and self-efficacy. However, analysis of unemployment exit showed that non-participants ‘catch up’ to ALMP participants once both groups re-enter the labour market. Consequently, ALMPs can be said to provide a short-term function in protecting individuals from the deleterious well-being effects of unemployment, with effects disappearing once people find work.

To summarize, ALMPs appear to *cause* increased well-being amongst unemployed people but only in the *short-term*. Despite the lack of a long-term effect, this suggests that employment programmes can be effective measures in ameliorating the negative psychosocial effects of job loss. However, ALMPs - and unemployment more broadly - are heterogeneous phenomena that exist in different forms and affect individuals in different ways. This implies that the experience of ALMP participation might be *context dependent*. ALMPs might improve well-being in general, but this effect might vary depending on a range of factors. These include the type of ALMP and the demographic characteristics of participants. The next chapter utilizes a range of social surveys to consider such questions.

CHAPTER SEVEN

The Differential Effects of ALMPs: A Quantitative Study of How Context Shapes ALMP Impact

Utilizing both cross-sectional and longitudinal data, the previous two chapters have shown that ALMPs are associated with higher well-being amongst unemployed people. This approach was consistent with the first objective of the broader methodological strategy of the thesis: to, initially, establish whether or not “empirical regularities” can be identified between ALMP participation and a range of relevant variables (Charlwood et al., 2014). The previous two chapters established that although no such “regularities” exist between ALMPs and health or social capital, they could be identified with some confidence between ALMPs and well-being.

However, the major limitation of this first approach – and of the broader evidence base on ALMPs – is that it is unable to explore the underlying processes that underpin the association between ALMPs and well-being. In other words, there is no attempt to explore and test different theories about how ALMPs affect well-being. This chapter, along with the subsequent qualitative chapter, aims to advance an understanding of such processes. To achieve this, this chapter uses a quantitative approach to explore potential mechanisms that might generate positive ALMP effects: in particular examining how *context* shapes the impact of activation programmes. In this chapter, five different questions are asked to explore whether ALMP effects vary in different environments and for different people. The underlying aim is to explore whether any differential effects of

ALMPs elucidate plausible mechanisms underpinning the association between ALMPs and well-being. To explore these issues, this chapter utilizes the three surveys used in the previous chapters: the APS, Citizenship Survey and BHPS/UKHLS. To recap from Chapter Four, these questions are as follows.

- 1) Are different *types of ALMPs* associated with different outcomes for participants?
- 2) How do *demographic characteristics* – such as age, gender and education level – interact with ALMPs?
- 3) Does an individual's *labour market history* affect the impact of an ALMP?
- 4) How does the well-being impact of ALMPs compare to *different forms of unemployment*?
- 5) Do ALMPs work better or worse for people who already have notably *poor mental health*?

Well-Being and Different ALMP Types

One of the most important debates in ALMP research concerns diversity in ALMP types and how policies vary according to programme content, objectives and ideology. As the discussion in Chapter Two demonstrated, there are profound differences in ALMPs: both between countries, where different ALMP 'regimes' are observable, and within countries, where a range of various schemes are designed for different groups of claimants. Drawing upon the proposed typology by Bonoli (2010), Chapter Two described three ideal type ALMPs. First, 'employment-assistance' ALMPs aim to quickly match unemployed people with available jobs by offering intensified forms of support and advice, as well as 'soft skills' training such as CV and interview support. Second, 'upskilling' ALMPs aim to enable unemployed people to

better compete for more highly skilled jobs by investing in human capital through education and training. Third, 'occupation' ALMPs aim to minimize the loss of human and social capital associated with unemployment by explicitly providing unemployed people with ways to keep occupied, such as directly created jobs and work experience.

However, the previous two chapters do not distinguish between these different ALMP types and there are few existing studies that explicitly differentiate between specific programmes. Vuori and Vesalainen (1999) and Strandh (2001) are the only studies identified that directly compare the well-being effects of different types of ALMPs, with the former finding a positive effect of an 'upskilling' vocational scheme and the latter an 'occupation' workplace participation programme. Theoretically, differences in ALMP type might be expected to be linked to different effects on well-being. In particular, 'occupation' and 'upskilling' programmes are more likely to provide participants with Jahoda's (1982) 'latent functions' of paid work, such as time structure, daily activity and the opportunity for social contact. Alternatively, employment-assistance ALMPs tend not to offer participants such a specific kind of structure, generally involving increased one-on-one sessions with an employment adviser. Further, upskilling and occupation ALMPs – which involve a more significant change in day-to-day activity – may also offer participants a much stronger sense of status and identity than an assistance scheme. They may provide, for example, a more explicitly defined 'social role', a stronger sense of contribution and more meaning to everyday life. Employment-assistance ALMPs may still be preferable in relation to well-

being compared to unemployment however, as the intensified forms of support may provide participants with greater hope for the future. Nevertheless, based upon these arguments it is possible to derive the following hypothesis:

1. Compared to open unemployment, ‘occupation’ and ‘upskilling’ ALMPs will be associated with larger well-being gains compared to ‘employment-assistance’ ALMPs.

METHODS

The pooled 2012 and 2013 APS used in Chapter Five is also used in this chapter as vitally, unlike the BHPS, both surveys contain information on the specific type of ALMP a participant is on. Table 7.1 shows the 11 specific schemes that are represented in the pooled APS, with a significant proportion of respondents also choosing ‘other’. For the subsequent analysis, a dichotomous typology is employed in which ‘upskilling’ and ‘occupation’ schemes are combined into a broader ‘work-oriented’ category. This is justified for three reasons. First, many ALMPs contain elements of both upskilling and occupation. For example, Training for Work – a Scottish government programme – contains both training and structured work activity. Second, in practice both forms of ALMP share similar design features, such as a more structured day and frequent social interaction. Thus, from a theoretical perspective they can be predicted to have similar outcomes. Third, from a methodological perspective combining the two types of schemes provides a large enough sample with which to conduct a meaningful statistical analysis.

Table 7.1 Summary of ALMPs in the APS

ALMP	N (2012)	N (2013)	N (POOLED)	TYPE
Work Programme	62	406	468	Employment assistance
New Deal	89	-	89	Employment assistance
Entry to Employment	45	-	45	Work-oriented
Work-Based Learning for Adults	40		40	Work-oriented
Work Experience	13	45	58	Work-oriented
Work Club	10	52	62	N/A: 'other'
Work-Based Training for Young People	8	-	8	Work-oriented
Work Trial	5	11	16	Work-oriented
Training for Work	2	9	11	Work-oriented
Ready for Work	2	14	16	Work-oriented
New Enterprise Allowance	1	28	29	Hybrid: 'other'
Other ALMP	244	224	468	Other
TOTAL	521	789	1,310	

In the UK however, the predominant form of ALMP are employment-assistance programmes. In the pooled APS dataset, these are represented by the two main UK welfare-to-work schemes: the Work Programme and its predecessor the New Deal. The high proportion of all ALMP participants taking part on them illustrates the dominance of these two schemes. Excluding those who choose 'other', 66 per cent of all ALMP participants state taking part on the Work Programme/New Deal. For the subsequent analysis, Table 6.1 shows three different categories of ALMP types to be compared. The 'employment-assistance' category consists of the two main UK activation schemes of the Work Programme and the New Deal. The 'work-oriented' category includes a range of smaller schemes that offer participants a variety

of training, education and work experience programmes. The ‘other ALMP’ category includes individuals who do not specify a particular programme, as well as participants on two schemes that are difficult to categorize. Firstly, the New Enterprise Allowance is taken up by unemployed people starting up their own businesses. It provides participants with on going financial support during the first six months of setting up, as well as access to mentoring and support. As such, it combines elements of employment assistance and upskilling. Secondly, Work Clubs are places where unemployed people can attend voluntarily to share experiences and advice with other people and work on job applications. Whilst Work Clubs fit partly into the employment-assistance category, they are quite distinct from the Work Programme/New Deal models, particular in relation to the availability of support from trained employment advisers. As such, participants on Work Clubs and the New Enterprise Allowance are categorized into the ‘other ALMP’ group.

Like the tests in Chapter Five, the subsequent analyses examine four separate indicators of well-being: life satisfaction, life worth, happiness and anxiety. For each indicator of well-being, four different models are estimated. The first model includes the full range of control variables with labour market status as the most important independent variable. Unlike the previous analyses, the reference category is the openly unemployed group: this enables a comparison of how different ALMP types relate to open unemployment in terms of well-being. The second model excludes ALMP participants who also identify as being in paid work; this is in order to explicitly focus on comparing *unemployed* participants with *unemployed* non-participants. The third and

fourth models estimate separate models for 2012 and 2013 in order to be able to compare results over time. The total number of ALMP participants is 1,310, which is significantly larger than the 631 respondents who explicitly state taking part on a 'government training scheme', the main identifier for ALMP participants. This is because many people who participate on an ALMP do not recognize themselves as participating on a 'government training scheme'.

RESULTS

Table 7.2 shows population estimates for the four indicators of well-being by ALMP type and open unemployment, as well as separate estimates for 2012/2013 and the pooled estimates excluding individuals who simultaneously state ALMP participation with paid work. The most important conclusion to derive from Table 7.2 is that participants on work-oriented ALMPs have the highest mean scores on each indicator of well-being. In particular, the differences between work-oriented participants and other types of ALMPs are especially large for life satisfaction and life worth; this is especially true when compared to employment-assistance programmes, which are, crucially, dominated by the main UK welfare-to-work schemes the New Deal and the Work Programme. For example, participants on work-oriented ALMPs report a mean life worth score of 7.40 (7.15/7.64), which appears significantly higher than both employment-assistance participants (6.73 (6.56/6.90)) and the openly unemployed (6.85 (6.82/6.90)). However, the differences in well-being between the work-oriented group and the other groups are smaller for both happiness and anxiety: this suggests a differential

effect of work-oriented ALMPs between ‘affective’ and ‘eudemonic/evaluative’ measures of well-being. Crucially, there appear to be minimal differences in the well-being of the employment-assistance and openly unemployed groups. The effect of removing those who also state being in paid work appears largely negligible, whilst 2013 participants tend to report higher well-being than those in 2012. However, the pattern of difference is the same in both periods: pointing to an overall trend of higher well-being in 2013 compared to 2012 as opposed to changing ALMP trends. As predicted above, these estimates thus suggest that work-oriented ALMPs are more successful in raising the well-being of unemployed people than employment-assistance schemes.

Table 7.2 Population Estimates of Life Satisfaction, Life Worth, Happiness and Anxiety by ALMP Type⁴⁴

ALMP type	Life satisfaction	Life worth	Happiness	Anxiety	N
Pooled					
Work-oriented	6.98 (6.69/7.28)	7.40 (7.15/7.64)	6.92 (6.57/7.26)	6.70 (6.26/7.14)	194
Employment-assistance	6.22 (6.05/6.40)	6.73 (6.56/6.90)	6.76 (6.56/6.95)	6.35 (6.09/6.60)	557
Other	6.41 (6.22/6.62)	7.06 (6.88/7.24)	6.67 (6.46/6.89)	6.25 (5.98/6.51)	559
Unemployed	6.35 (6.32/6.39)	6.85 (6.82/6.90)	6.65 (6.60/6.69)	6.42 (6.37/6.47)	13,176
<i>Excluding those also stating paid work</i>					
Work-oriented	6.80 (6.46/7.14)	7.18 (6.89/7.48)	6.92 (6.52/7.34)	6.92 (6.42/7.42)	144
Employment-assistance	6.15 (5.98/6.33)	6.72 (6.54/6.90)	6.74 (6.54/6.94)	6.31 (6.04/6.58)	530
Other	6.20 (5.97/6.43)	6.97 (6.76/7.18)	6.67 (6.42/6.91)	6.25 (5.95/6.54)	451
2012					
Work-oriented	6.65 (6.26/7.03)	7.08 (6.78/7.39)	6.89 (6.43/7.34)	6.55 (6.34/6.77)	115
Employment-assistance	6.20 (5.85/6.54)	6.46 (6.16/6.76)	6.54 (6.17/6.90)	6.30 (5.84/6.76)	151
Other	6.41 (6.13/6.69)	7.07 (6.82/7.30)	6.52 (6.19/6.85)	6.10 (5.70/6.51)	255
2013					
Work-oriented	7.41 (6.97/7.85)	7.79 (7.38/8.20)	6.95 (6.39/7.51)	6.89 (6.16/7.62)	79
Employment-assistance	6.23 (6.03/6.43)	6.82 (6.62/7.02)	6.83 (6.61/7.06)	6.36 (6.04/6.67)	406
Other	6.42 (6.15/6.71)	7.06 (6.80/7.32)	6.80 (6.51/7.10)	6.37 (6.01/6.72)	304

95% confidence intervals in parentheses

Tables 7.3 and 7.4 show the results of regression models for each indicator of subjective well-being.⁴⁵ In total, there are seven key findings from the four tables:⁴⁶

⁴⁴ In a one-sided *t*-test, the difference between the work-oriented and employment-assistance groups in the pooled APS is significant for life satisfaction ($p=0.000$), life worth ($p=0.000$) and happiness ($p=0.030$) but not for anxiety ($p=0.200$).

⁴⁵ Tables 7.3 and 7.4 show regressions that control for the full range of variables as in Chapter Five. In Table 7.3, beta coefficients for all categories of labour market status are shown, whilst Table 7.4 includes only the ALMP categories and the employment category. Table 7.4 adds a further category for ALMP participants who also state being in paid work.

⁴⁶ Further analysis confirmed that there are no consistent differences in effect sizes between the 2012 and 2013 waves of the APS. In some instances, the ALMP effect is stronger in 2013 compared to 2012. For example, employment-assistance schemes are associated with higher happiness in 2013 but not 2012. However, this is not a consistent effect and in other instances there are no observable differences between the two years.

1. Compared to open unemployment, participants on work-oriented ALMPs have higher life satisfaction, life worth and happiness (models 1, 2 and 3). This effect is especially strong for life satisfaction and life worth, where the effect sizes of work-oriented ALMPs are both large and highly statistically significant. The difference in happiness between work-oriented ALMPs and the openly employed is smaller however, and only significant at a much less conservative 0.10 level.
2. Despite the relatively strong association between life satisfaction and life worth and work-oriented programmes, the size of the effect is still smaller than paid employment. This indicates that although participation on work-oriented ALMPs is linked to relatively high well-being compared to unemployment, it is still short of that provided by paid work.
3. There is no difference in the life satisfaction and life worth between employment-assistance ALMP participants and the openly unemployed (models 1 and 2). This suggests that in terms of these two indicators at least, schemes like the Work Programme are equivalent to open unemployment.
4. However, employment-assistance ALMPs are associated with higher levels of happiness compared to open unemployment (model 3). This is a relatively strong and highly significant effect that holds even when participants who also state paid work are excluded (model 7).
5. There are no differences between any ALMP type and open unemployment in terms of anxiety (models 4 to 8). This confirms the

findings of Chapters Five and Six: that ALMPs appear unsuccessful in reducing the negative affect associated with unemployment.

6. Compared to open unemployment, the effect of 'other ALMPs' is positive and significant for life satisfaction and life worth. The effect size of the 'other' group for these two indicators generally falls in between the work-oriented and assistance effects that, given that the group likely includes both schemes, reaffirm the main findings. All in all, these three findings support the main hypothesis: work-oriented ALMPs are more successful in raising well-being compared to employment-assistance ALMPs. However, whilst the latter are ineffective in terms of life satisfaction and life worth, they still appear to raise the happiness of participants relative to unemployment.
7. There is no effect of removing individuals who state both ALMP participation and paid employment from the ALMP groups.

To summarize these main findings, the analyses generally support the hypothesis put forward at the beginning of this section. Work-oriented ALMPs are associated with more consistent and generally stronger well-being gains compared to employment-assistance ALMPs. In terms of life satisfaction, life worth and anxiety, there is no difference between being openly unemployed and being on an ALMP like the Work Programme, although such schemes do appear to raise the happiness of participants. From a theoretical perspective, these findings largely support the argument that ALMPs which focus more on replicating the 'latent functions' of paid work will be more successful in boosting well-being. It may equally be the

case that work-oriented ALMPs imbue a stronger sense of purpose, meaning and social status compared to both being unemployed and being on an employment-assistance ALMP. This finding has important policy implications in terms of designing ALMPs with well-being objectives in mind.

Table 7.3 OLS Regressions of Well-Being by ALMP Type (a)⁴⁷

	Model 1	Model 2	Model 3	Model 4
	Life satisfaction	Life worth	Happiness	Anxiety
Current employment status (ref: unemployed)				
Work-oriented ALMP	0.566*** (0.117)	0.553*** (0.113)	0.259+ (0.146)	0.218 (0.192)
Employment-assistance ALMP	0.064 (0.070)	0.052 (0.068)	0.295*** (0.087)	-0.054 (0.115)
Other ALMP	0.190** (0.072)	0.284*** (0.069)	0.124 (0.089)	-0.107 (0.118)
Employed	0.913*** (0.016)	0.654*** (0.015)	0.410*** (0.019)	0.407*** (0.025)
Self-employed	0.883*** (0.019)	0.762*** (0.018)	0.457*** (0.023)	0.377*** (0.031)
Retired	1.177*** (0.023)	0.689*** (0.022)	0.760*** (0.028)	0.816*** (0.038)
Sick	-0.028 (0.021)	-0.333*** (0.020)	-0.337*** (0.026)	-0.428*** (0.035)
Family care	0.856*** (0.021)	0.821*** (0.020)	0.465*** (0.026)	0.437*** (0.034)
Student	0.944*** (0.026)	0.774*** (0.026)	0.439*** (0.033)	0.035 (0.043)
Unpaid family work	0.844*** (0.077)	0.655*** (0.074)	0.552*** (0.095)	0.172 (0.126)
Other status	0.780*** (0.028)	0.424*** (0.027)	0.402*** (0.034)	0.362*** (0.045)
Constant	7.813	7.034	7.240	7.299
R ²	0.164	0.120	0.085	0.053
Adjusted R ²	0.164	0.120	0.085	0.053
N	241180	241180	241180	241180
Log-likelihood	-470384.3	-462113.2	-522945.9	-589826.9
BIC	941388.3	924846.1	1046511	1180274

Standard errors in parentheses
+ p<.10, * p<.05, ** p<.01, *** p<.001

⁴⁷ Full table with control variables shown in Table A3.1 in Appendix Three.

Table 7.4 OLS Regressions of Well-Being by ALMP Type (b)⁴⁸

	Model 5	Model 6	Model 7	Model 8
	Life satisfaction	Life worth	Happiness	Anxiety
Current employment status (ref: unemployed)				
ALMP participant in work	0.625*** (0.130)	0.243+ (0.126)	-0.199 (0.162)	-0.286 (0.213)
Work-oriented ALMP	0.376** (0.124)	0.479*** (0.119)	0.319* (0.154)	0.305 (0.203)
Employment-assistance ALMP	0.035 (0.070)	0.041 (0.068)	0.304*** (0.087)	-0.041 (0.115)
Other ALMP	0.055 (0.077)	0.232** (0.074)	0.167+ (0.096)	-0.046 (0.127)
Employed	0.913*** (0.016)	0.654*** (0.015)	0.410*** (0.019)	0.407*** (0.025)
Constant	7.811	7.034	7.240	7.300
R ²	0.164	0.120	0.085	0.053
Adjusted R ²	0.164	0.120	0.085	0.053
N	241180	241180	241180	241180
Log-likelihood	-470372.7	-462111.4	-522945.1	-589826
BIC	941377.5	924854.8	1046522	1180284

Standard errors in parentheses
+ p<.10, * p<.05, ** p<.01, *** p<.001

The Intersectional Effects of ALMPs

Few studies into ALMPs and well-being account for *heterogeneity* amongst unemployed participants, with many considering the ALMP group as a whole. There are only a small number of studies that attempt to analyse whether ALMPs are more effective for specific types of people, with often contradictory findings (see Chapter Three). However, at least in the UK there has been no systematic attempt to examine the well-being effects of ALMPs according to different demographic characteristics. Consequently, most studies bypass the likelihood that ALMPs work better – and worse – for certain types of people.

This is despite the widespread findings from the broader unemployment evidence base that such characteristics matter in terms of how different groups of unemployed people are affected by job loss. Unemployed people as a group are demographically diverse, differentiated across a range

⁴⁸ Full table with control variables shown in Table A3.2 in Appendix Three.

of socio-economic characteristics, such as gender, age, labour market history, skill level and health status. As Chapter Three demonstrated, these differences often matter for how people experience unemployment. Thus, if unemployment affects different groups of people to varying extents, it logically follows that ALMPs might also affect such groups in different ways. The following study examines the effects of ALMPs according to three different demographic groupings: gender, age and highest qualification. Based upon the existing evidence base and the theories outlined in Chapter Three, it is possible to derive the following hypotheses:

1. Previous research has shown that men tend to suffer more from job loss compared to women (Paul and Moser, 2009). One of the primary explanations for this finding is the higher social importance men attach to paid work compared to women, who might be better placed to forge alternative social identities outside of the labour market. The two existing ALMP studies that examine gender differences both conclude that there are stronger well-being effects of ALMPs for men than women (Vuori and Vesalainen, 1999; Behle, 2005). Thus, hypothesis one is that *male ALMP participants will benefit more than female ALMP participants*.
2. Wulfgramm's (2011) German study examines how ALMP effects vary by age, with Wulfgramm finding that a weaker effect for older participants. This might be because older ALMP participants attach less importance or optimism to such schemes, or find them more stigmatizing, given a long history of labour market experience. Thus,

hypothesis two is that *younger age groups will benefit more than older age groups*.

3. Previous unemployment research has shown that more highly skilled, qualified and conscientious people suffer more from unemployment in terms of well-being compared to the low skilled and less qualified (Andersen, 2009; Boyce et al., 2010). In relation to ALMPs, there are contradictory findings: Røjdalen et al. (2005) and Wulfgramm (2011) find that interventions are more effective for the less qualified, whilst Behle (2005) finds a stronger effect for the highly qualified. Highly qualified people might be expected to benefit less from ALMPs as many programmes are designed and targeted at those with low skills and a weak labour market history. In addition, the importance of paid work vis-à-vis social status might be stronger for those who with higher expectations in the labour market. Thus, hypothesis three is that *those with lower qualifications will benefit more than those with higher qualifications*.

METHODS

This section also exploits the pooled 2012-2013 APS used in the previous section and thus examines the same four unique indicators of subjective well-being. As stated above, there are three key demographic groupings⁴⁹ that are split accordingly into the following categories: gender (men/women); age (18-33 years-old; 34-49 years-old; 50-65 years old); and highest qualification

⁴⁹ Ethnicity was also considered as a plausibly key intersection to consider vis-à-vis ALMPs; however, small sample sizes amongst ethnic minorities made such an analysis unfeasible.

(no/other qualification; GCSE; A-Level/higher education). For each of the four indicators of well-being, a separate OLS regression model was estimated for each demographic category. For example, separate OLS regression models are estimated for male life satisfaction and female life satisfaction. In this example, the objective of these models is to test whether the effect of ALMPs on well-being varies between men and women. The analyses use the expanded sample of 1,310 programme participants derived from the larger ALMP group used in the above section. Each model controlled for the full range of independent variables, although in the below table only estimates for ALMP participants are shown for ease of comparison.

RESULTS

Table 7.5 shows the coefficients for ALMP participation, compared to the reference category of unemployment, from separate well-being regression models estimated for each demographic group. For example, the coefficient for male ALMP participants derives from a comparison against male unemployed people. In sum, there are four key conclusions from the three tables:

- ALMPs are associated with higher well-being amongst both men and women, although the effects of ALMPs are stronger and more consistent for men. Thus, both male and female ALMP participants have significantly higher life satisfaction and life worth compared to male and female unemployed. However, the effect sizes are much stronger for male ALMP participants and significant at the 0.001 level,

whilst they are only significant at the 0.05 level for women. Further, there is an even larger happiness effect for male ALMP participants, whilst there is no happiness difference between female ALMP participants and female unemployed. These findings support hypothesis one.

- The strongest and most consistent ALMP effects are present for younger rather than older age groups. For the 18-33 age group, ALMP participants have significantly higher life satisfaction and life worth than unemployed people. They also have higher happiness levels, although this falls short of conventional statistical significance. By contrast, a significant but smaller difference exists between the ALMP and unemployed groups amongst 34-49 year-olds for life worth, although there is a larger happiness effect for this age group, whilst amongst the oldest age group there are no statistically significant differences in well-being. Again, these findings support the second hypothesis.
- ALMP effects are highly dependent on a person's highest qualification level, with those with lower levels of education benefiting significantly more than those with higher levels. For those whose highest level of education is either no/other qualifications or GCSEs, ALMP participants have significantly higher life satisfaction, life worth and happiness compared to unemployed people. Further, the effect sizes in these models are relatively strong compared to the comparable effects by gender and age. Contrastingly, amongst the oldest age group (50-65 year-olds) there are no differences across these three indicators of well-

being between the ALMP and unemployed groups. This suggests that ALMP effects are sensitive to a person's educational background and support the third hypothesis.

- Once again, there is minimal evidence to suggest that ALMPs have an effect on the anxiety levels of unemployed. For example, there are no significant effects of ALMPS on anxiety by gender or age. However, Table 6.4 shows an important effect of ALMPS on anxiety by education level. Specifically amongst those with the highest levels of education, ALMPs are associated with increased anxiety compared to unemployed people. This is the only evidence reported in this thesis that ALMPs *increase* anxiety; thus suggesting that whilst anxiety continues to be relatively immune to ALMP participation, there are certain instances in which such programmes might act to increase anxiety for specific groups of participants.

The results in this section further confirm the overall argument of this chapter: that *context* matters for ALMPs. Just as the first section showed that the type of ALMP is important in the context of well-being, this section showed that ALMP effects are not independent: rather, they are dependent on a person's socio-demographic characteristics. This finding has important policy implications in terms of how ALMPS are targeted. Presently, it appears that existing ALMPs work better for men, younger people and those with lower levels of qualifications on certain aspects of well-being, particularly life satisfaction and life worth. Contrastingly, this should raise questions for policy-makers about why such policies appear to be comparable

to unemployment for certain groups, particularly older unemployed people and the highly qualified, and thus how ALMPs can be better designed and targeted to assist such groups as well.

Table 7.5 Demographic Intersections and Effects of ALMP Participation⁵⁰

Effect of ALMP relative to unemployment	Life satisfaction	Life worth	Happiness	Anxiety	N
Gender					
Male	0.277*** (0.063)	0.288*** (0.061)	0.404*** (0.077)	-0.043 (0.100)	103,650
Female	0.180* (0.074)	0.172* (0.071)	-0.055 (0.094)	-0.009 (0.124)	137,530
Age					
18-33	0.299*** (0.072)	0.321*** (0.073)	0.164+ (0.094)	0.026 (0.124)	56,068
34-49	0.106 (0.081)	0.162* (0.078)	0.281** (0.101)	-0.061 (0.133)	88,776
50-65	0.085 (0.107)	0.096 (0.102)	0.247+ (0.129)	-0.191 (0.170)	96,336
Highest qualification					
No/other qualifications	0.300** (0.103)	0.450*** (0.099)	0.475*** (0.120)	-0.022 (0.149)	47,838
GCSE	0.325*** (0.087)	0.168* (0.083)	0.389*** (0.109)	0.260+ (0.141)	52,609
A-Level/Higher Education	0.000 (0.070)	0.073 (0.069)	-0.116 (0.090)	-0.305* (0.123)	140,733

Standard errors in parentheses
+ p<.10, * p<.05, ** p<.01, *** p<.001

⁵⁰ Separate regression models showing full control variables are shown in Appendix Three for men (Table A3.3); women (Table A3.4); 18-33 year-olds (Table A3.5); 34-49 year-olds (Table A3.6); 50-65 year-olds (Table A3.7); No/other qualifications (Table A3.8); GCSE (Table A3.9); A-Level/Higher Education (Table A3.10).

ALMPs and Labour Market History

One of the major justifications for the expansion of ALMPs in the UK is that there are many individuals who are acutely excluded and disconnected from the labour market. In particular, politicians and policy-makers often make reference to two groups: (a) those with a minimal occupational history and (b) those who have been unemployed for an extended period of time. These are people who either have no experience of paid work or have had very little experience for a long time. Such ideas have a long lineage in the history of welfare reform. In 1997, Tony Blair claimed “behind the statistics lie households where three generations have never had a job”, an assertion repeated almost verbatim by Iain Duncan Smith in 2009 and, more recently in 2011, by Chris Grayling, then a minister in the DWP (see MacDonald et al., 2014). According to such logic, ALMPs are a mechanism to break the trap of unemployment. Whilst the statistical truth of such claims regarding inter-generational unemployment is highly dubious, it is nevertheless the case that there are groups of people who have little or no experience of work, as well those who have been unemployed for a protracted period of time, with the ONS (2013) estimating that there are around 224,000 households containing people have never had paid work, which amounts to 1.1 per cent of all UK households.⁵¹ As such, this adds a further layer of heterogeneity into the broader unemployed group: between those who have a significant occupational history and/or are short-term unemployed and those who have a weak occupational history and/or are long-term unemployed. Arguably, this

⁵¹ This figure excludes students, people with disabilities and those looking after families.

is a distinction between the *advantaged* unemployed and the *disadvantaged* unemployed.

There are several reasons why ALMPs might be expected to benefit the disadvantaged unemployed more than the advantaged unemployed. Firstly, those with a significant history of labour market experience might be more likely to view ALMPs as futile or condescending. As stated in the above section, in the UK context many ALMPs offer only rudimentary training or skills courses and are generally not targeted towards those with higher skills or qualifications. Secondly, people do not 'adapt' to the negative health and psychosocial effects of unemployment. In a recent study, Daly and Delaney (2013) showed that the duration of unemployment was associated with increased psychological distress and a long-term 'scarring effect'. Thus, ALMPs might have a stronger scope for mitigating the psychosocial costs of unemployment for those who are affected the most severely. However, the evidence base on the interaction between labour market position and ALMPs is small and contradictory. Thus, whilst Anderson (2009) found a positive ALMP social capital effect for 'labour market outsiders' but not 'labour market insiders', Saloniemi et al. (2014) showed how ALMPs benefited the well-being of white-collar but not blue-collar workers. However, Saloniemi et al.'s study was of Finnish ALMPs, which re-train unemployed people into appropriate and relevant occupations. Crucially, there is no comparable scheme in the UK policy context. Thus it is possible to make the broader prediction that there is a stronger link between ALMPs and well-being for the

disadvantaged unemployed compared to the *advantaged unemployed*. This in turn leads to two hypotheses:

1. Compared to open unemployment, there is stronger ALMP effect for those with little to no history of paid work compared to those with an occupational history.
2. Compared to open unemployment, there is a stronger ALMP effect for the long-term compared to the short-term unemployed.

METHODS

This section also uses the pooled APS dataset to analyse life satisfaction, life worth, happiness and anxiety. To test the first hypothesis relating to the effects of occupational history, three different models are estimated with varying degrees of specificity within the ALMP group. In each instance, the reference group in each model is ‘openly unemployed’. Information on occupational history is derived from the occupational status variable NSECMJ10 in the APS. This is an eight-category variable comprising the major occupational groups of the National Statistics Socio-Economic Classification (NS-SEC), an occupationally-based measure of social class (Rose and Pevalin, 2003). The eight categories include seven that suggest evidence of occupational history (higher managerial/professional; lower managerial/professional; intermediate; small employers/account workers; lower supervisory/technical; semi-routine; routine) and one that suggests evidence of weak or no occupational history (never worked/unemployed/not classified). Thus, those with an occupational history can be classified as individuals who fall within NS-SEC categories 1-7 (690 participants); contrastingly, those with without, or with weak, occupational history are

those who fall in NS-SEC category 8 (620 participants). Within this final category, 125 participants have never worked (9.5 per cent of all participants), 257 are long-term unemployed (19.6 per cent), 55 are students (4.2 per cent) and 183 are not classified (14.0 per cent).

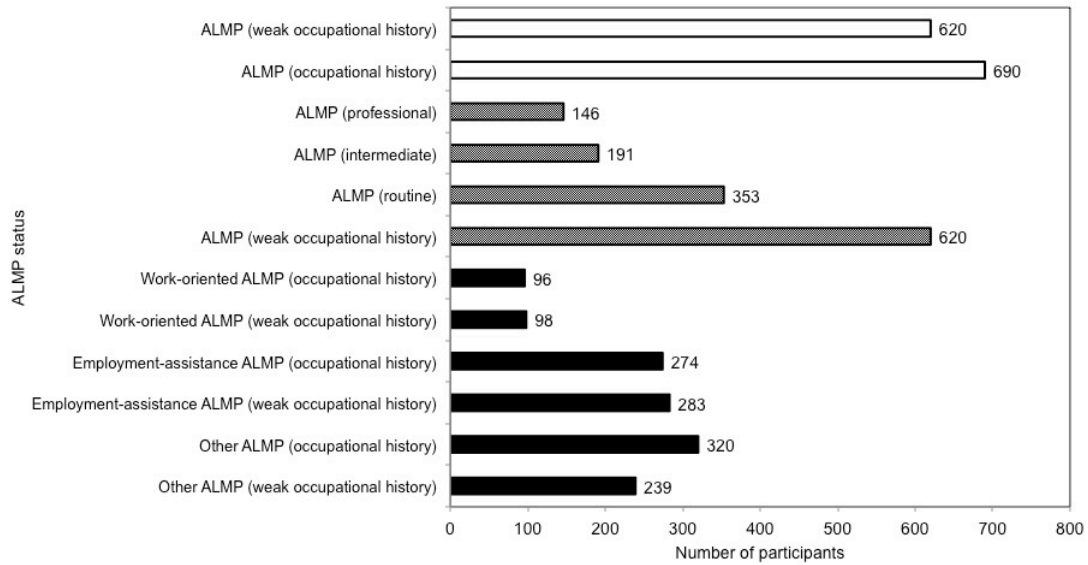
Categorizing individuals in such a way enables an analysis of how occupational status interacts with ALMP participation and well-being. As stated above, the total ALMP group is divided by occupational status in three different ways. In the first model, a simple dichotomy is analysed between ALMP participants with an occupational history (NS-SEC 1-7) and those with a minimal occupational history (NS-SEC 8). In clear shading, Figure 7.6 shows the total numbers of participants in each category, demonstrating that there is an almost even divide between ALMP participants with an occupational history (690) and those with a weak occupational history (620).

In the second model, shaded in grey in Figure 7.6, ALMP participants with an occupational history are further divided into three new groups: those with a *professional* occupational status (NS-SEC 1-2; 146 participants); those with an *intermediate* occupational status (NS-SEC 3-5; 191 participants); and those with a *routine* occupational status (NS-SEC 6-7; 353 participants). The objective of this further categorization is to examine whether there are any differences within the strong occupational group. Based on the previous section, for example, in which those with higher qualifications failed to benefit from ALMPs, it might be expected that participants with a

professional status do not experience the same well-being effects compared to those with a routine status.

In the third and final model, the focus shifts to the interaction between ALMP *type* and occupational status. ALMP participants are once again divided between those with evidence of and those with minimal evidence of occupational histories, but the ALMP type is now also specified. This results in six categories of ALMP participant: work-oriented ALMP/occupational history (96); work-oriented ALMP/weak occupational history (98); employment-assistance ALMP/occupational history (274); employment-assistance ALMP/weak occupational history (283); other ALMP/occupational history (320); other ALMP/weak occupational history (239). The aim of this model is to explore whether the effect of work-oriented ALMPs – which the first section of this chapter showed to be strong compared to employment-assistance schemes – is independent or dependent on a person’s occupational history. These categories are shaded in black in Figure 7.6.

Figure 7.6 Categorization of ALMP Participants by Occupational History and ALMP Type

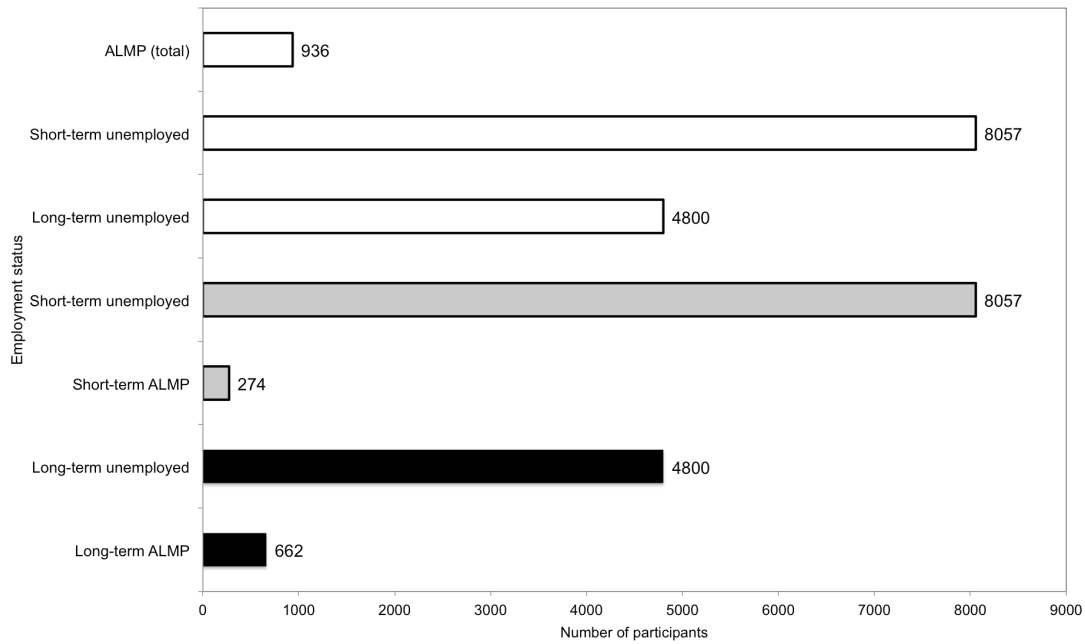


To test the second hypothesis relating to length of unemployment, three further models are estimated. In these models the key differentiating variable is LKTIMA, which asks respondents how long they have been looking for work. In the subsequent analyses, ‘short-term’ unemployment is defined as those who have been looking for work for less than a year, whilst ‘long-term’ unemployment is categorized as anything over a year.

In the first model, the well-being of the total ALMP group is compared to (a) short-term unemployed and (b) long-term unemployed people. However, in order to compare like-for-like, models two and three only compare the well-being of (a) ALMP participants and unemployed people who are both *short-term* unemployed and (b) those in both categories who are *long-term* unemployed. Thus in model two, long-term unemployed individuals in both categories are excluded from the analysis and vice versa in model three. This enables a more valid comparison of similar types of people in relation to

the duration of unemployment. For example, the first model might find that long-term unemployed people are significantly less satisfied with their lives compared to ALMP participants. However, this could be powered by the high life satisfaction of ALMP participants who are short-term unemployed. To truly unpick the nature of the effect, comparable groups need to be examined. Importantly, a significant number of both ALMP participants and unemployed people fail to give a valid answer to how long they have been looking for work, resulting in a smaller sample size in both categories. As the majority of ALMPs require or encourage participation after a lengthy period of unemployment, it is unsurprising that the majority of ALMP participants are categorized as 'long-term unemployed'. Similarly, most unemployed people find work within a year: something that is indicated by the 63 per cent of unemployed people who fall within the 'short-term' category. Figure 7.7 shows the number of participants in each category for each model.

Figure 7.7 Categorization of ALMP Participants and Unemployed People by Unemployed Duration



RESULTS

Table 7.9⁵² shows the results of three sets of regression models for each measure of the four indicators of well-being by occupational status. In each set of models, the reference category is always ‘openly unemployed’, whilst the key difference is the way in which the ALMP group is categorized. In the total, the following conclusions can be made:

- In the first set of models (1A-4A), ALMP participants with a weak occupational history have significantly higher well-being than unemployed people on each measure of subjective well-being. Importantly, these are relatively strong effects and highly statistically significant. Crucially there is also a positive effect of ALMPs in

⁵² Full models are reported in Appendix Three in Tables A3.15 to A3.23.

reduced anxiety for those with a weak occupational history: an effect that is rarely found in previous analyses (4A). These findings suggest that there are particularly strong effects of programme participation for people with less experience of work.

- However, also in the first set of models, there is contradictory evidence regarding the impact of ALMPs on those with an occupational history. There is only one positive and significant effect found, for life worth (2A), whilst ALMPs are associated with significantly *higher* anxiety for this group compared to unemployed people (4A). This suggests that there is a paradoxical effect of ALMPs on anxiety dependent upon a person's occupational history.
- In the second set of models (1B-4B), ALMP participants with evidence of an occupational category are divided into three levels of occupational class: professional, intermediate and routine. There are however no clear, consistent effects. Perhaps the most notable pattern is found for ALMP participants with a professional occupational status. For such people, there is a *negative* effect of programme participation relative to unemployment for both happiness and anxiety (3B/4B). With regards to participants with a routine status however, there is no evidence of a consistently positive effect of ALMPs. Thus, whilst this group has significantly higher happiness than unemployed people (3B), they are simultaneously likely to be more anxious (4B). There are subsequently no clear patterns in relation to ALMPs and those with an occupational history, although participation seems to be associated with worse outcomes for the most professional groups.

- In the final set of models (1C-4C), the ALMP group is split again by those with an occupational history and those with minimal evidence of occupational history, but the *type* of ALMP is also specified by the three categories used in the first section: work-oriented, employment-assistance and other ALMPs. The results show that work-oriented ALMPs are associated with significantly higher subjective well-being on each indicator. However, this is only the case for work-oriented participants with a *weak* occupational history. For people with evidence of an occupational history on work-oriented programmes, there is minimal evidence of a well-being effect. With regards to New Deal/Work Programme participants, there are positive effects for each indicator of well-being for those with a *weak* occupational history. However, those with an occupational history are significantly more anxious. These results suggest that ALMP type continues to be important; crucially however, it interacts strongly with occupational status.

To explore differences by occupational status more specifically, Table 7.8 shows the coefficients for ALMP participation, compared to the reference category of unemployment, from separate regression models estimated for each occupational grouping. This is a similar analysis to the second section of this chapter in that, for example, the coefficient for ‘professional’ ALMP participants is derived from a comparison against ‘professional’ unemployed people only. This enables a more valid comparison between ALMP participants and unemployed people with similar occupational backgrounds. The results generally support the findings described above. For people with a

professional background, ALMP participation is not associated with higher well-being. In fact, professional ALMP participants have significantly lower happiness and higher anxiety than professional unemployed people. ALMPs are however associated with significantly higher life satisfaction and life worth for those with an intermediate history, whilst they appear to raise the happiness of people with routine history. The most consistently positive association is for those who have never worked or are long-term unemployed, where ALMP participation is associated with significantly higher life satisfaction, life worth and happiness.

Table 7.8 OLS Regressions of Indicators of Well-Being by Occupational History⁵³

Effect of ALMP relative to unemployment	Life satisfaction	Life worth	Happiness	Anxiety	N
Occupational history					
Professional	-0.011 (0.173)	0.218 (0.164)	-0.390* (0.187)	-0.572* (0.253)	2016
Intermediate	0.309* (0.156)	0.381* (0.148)	0.285 (0.178)	0.029 (0.227)	1982
Routine	0.170 (0.126)	0.022 (0.120)	0.327* (0.144)	-0.302+ (0.172)	3446
Never worked or long-term unemployed	0.278** (0.091)	0.254** (0.089)	0.279** (0.1040)	0.208+ (0.124)	7042

Standard errors in parentheses
+ p<.10, * p<.05, ** p<.01, *** p<.001

⁵³ Separate regression models showing full control variables are shown in Appendix Three for those with professional occupational status (Table A3.11); intermediate status (Table A3.12); routine status (Table A3.13); never worked or long-term unemployed (Table A3.14).

Subsequently, Table 7.10 similarly shows three sets of regression models, differentiated this time by unemployment duration. The conclusions are as follows:

- When the ALMP group is considered as a whole and compared to the short- and long-term unemployed (1A-4A), there are more consistent well-being differences between ALMP participants and the long-term unemployed than the with the short-term unemployed. Long-term unemployed people have significantly lower life satisfaction, life worth and happiness compared to ALMP participants, whilst the short-term unemployed only have lower happiness. However, the long-term unemployed are less anxious than ALMP participants: a finding that shows once again how anxiety often interacts with labour market status in a unique way.
- The second set of models (1B-4B) compares only ALMP participants and unemployed people who are both *short-term* unemployed. In these models, the finding in model 4A that the long-term unemployed have lower anxiety than the whole ALMP group is shown to be powered by the relatively high anxiety of programme participants who are short-term unemployed (4B). However, there is still a positive effect of ALMPs amongst short-term unemployed people for both life worth and happiness (2B-3B).
- In the final set of models (1C-4C), only long-term jobseekers in both categories are included in the analysis. In these models, it is shown how the long-term openly unemployed have significantly lower life

satisfaction and happiness than the long-term unemployed ALMP group. However, there are no differences between the two groups for life worth and anxiety. In summary, the findings in Table 6.10 do not support the hypothesis stated above. Whilst short-term job-seeking ALMP participants are more anxious than the short-term unemployed, there are positive – though inconsistent - well-being effects of ALMPs for those out of work both in the short-term and long-term

The findings in this section provide mixed evidence on the heterogeneity of ALMP effects. On the one hand, the association between ALMP participation and well-being is highly dependent on an individual's career background. Compared to unemployed people, participants with a weak occupational history are far more likely to have higher well-being compared to participants with more evidence of an occupational history. Importantly, this interaction stretches to work-oriented ALMPs. The first section in this chapter showed how such programmes had far more positive effects on well-being compared to schemes like the Work Programme. However, the findings here show that this effect is contextual and dependent upon a person's occupational history. Participants with a higher occupational history do not experience any well-being benefits from work-oriented programmes. On the other hand, the results in this section also showed that there are positive, though inconsistent, effects of ALMPs on well-being for both short- and long-term jobseekers. This finding suggests that duration of unemployment does not necessarily affect the well-being impact of ALMPs. Importantly, this finding confirms one of the conclusions from the previous chapter's analysis of labour

market transitions, which found that ALMPs had a beneficial impact on well-being during the 'shock' phase of the initial year of unemployment, whilst also helping people 'adapt' to the experience of long-term unemployment.

Table 7.9 OLS Regressions of Indicators of Well-Being by Labour Market History

	Model 1A	Model 2A	Model 3A	Model 4A
	Life satisfaction	Life worth	Happiness	Anxiety
Current employment status (ref: openly unemployed)				
ALMP (occupational history)	0.087 (0.064)	0.180** (0.061)	0.135+ (0.079)	-0.358*** (0.104)
ALMP (weak occupational history)	0.313*** (0.068)	0.274*** (0.066)	0.315*** (0.084)	0.335** (0.111)
Constant	7.814	7.037	7.239	7.298
R ²	0.164	0.120	0.085	0.053
Adjusted R ²	0.164	0.120	0.085	0.053
N	241180	241180	241180	241180
	1B	2B	3B	4B
ALMP (professional)	-0.143 (0.136)	0.251+ (0.131)	-0.333* (0.169)	-0.651** (0.223)
ALMP (intermediate)	0.195+ (0.118)	0.322** (0.114)	0.218 (0.146)	-0.196 (0.193)
ALMP (routine)	0.122 (0.088)	0.072 (0.085)	0.282** (0.109)	-0.325* (0.144)
ALMP (weak occupational history)	0.313*** (0.068)	0.274*** (0.066)	0.315*** (0.084)	0.335** (0.111)
Constant	7.814	7.037	7.238	7.298
R ²	0.164	0.120	0.085	0.053
Adjusted R ²	0.164	0.120	0.085	0.053
N	241180	241180	241180	241180
	1C	2C	3C	4C
Work-oriented ALMP (occupational history)	0.306+ (0.173)	0.285+ (0.167)	-0.075 (0.215)	-0.262 (0.284)
Work-oriented ALMP (weak occupational history)	0.783*** (0.158)	0.776*** (0.153)	0.537** (0.196)	0.618* (0.259)
Employment-assistance ALMP (occupational history)	0.003 (0.089)	0.007 (0.086)	0.195+ (0.110)	-0.542*** (0.145)
Employment-assistance ALMP (weak occupational history)	0.225* (0.095)	0.233* (0.092)	0.389*** (0.118)	0.416** (0.156)
Other ALMP (occupational history)	0.123 (0.103)	0.378*** (0.099)	0.127 (0.128)	-0.142 (0.169)
Other ALMP (weak occupational history)	0.190 (0.117)	0.062 (0.113)	0.077 (0.146)	0.055 (0.193)
Constant	7.812	7.034	7.239	7.297
R ²	0.164	0.120	0.085	0.053
Adjusted R ²	0.164	0.120	0.085	0.053
N	241180	241180	241180	241180

Standard errors in parentheses; + p<.10, * p<.05, ** p<.01, *** p<.001

Table 7.10 OLS Regressions of Indicators of Well-Being by Unemployment History⁵⁴

	Model 1A	Model 2A	Model 3A	Model 4A
	Life satisfaction	Life worth	Happiness	Anxiety
Current employment status (ref: ALMP)				
Short-term unemployed	-0.019 (0.057)	-0.039 (0.055)	-0.254*** (0.071)	0.023 (0.093)
Long-term unemployed	-0.176** (0.059)	-0.215*** (0.057)	-0.366*** (0.073)	0.219* (0.097)
Constant	7.861	7.116	7.514	7.206
R ²	0.165	0.121	0.085	0.053
Adjusted R ²	0.165	0.121	0.085	0.053
N	240487	240487	240487	240487
	1B	2B	3B	4B
Current employment status (ALMP short-term unemployed)				
Short-term unemployed	0.034 (0.096)	-0.365*** (0.093)	-0.369** (0.120)	0.456** (0.159)
Constant	7.804	7.480	7.648	6.763
R ²	0.159	0.116	0.084	0.053
Adjusted R ²	0.158	0.116	0.084	0.053
N	235025	235025	235025	235025
	1C	2C	3C	4C
Current employment status (ref: ALMP long-term unemployed)				
Long-term unemployed	-0.197** (0.069)	-0.063 (0.066)	-0.312*** (0.086)	0.017 (0.113)
Constant	7.826	6.991	7.424	7.364
R ²	0.162	0.119	0.085	0.053
Adjusted R ²	0.161	0.119	0.085	0.053
N	232156	232156	232156	232156

Standard errors in parentheses
+ p<.10, * p<.05, ** p<.01, *** p<.001

⁵⁴ Full models are shown in Appendix Three in Tables A3.18-A3.20.

ALMPs and ‘Active Unemployment’

The first three sections of this chapter have largely focused on heterogeneity within the ALMP group rather than the unemployed. Yet this is problematic: unemployed people are far from a homogeneous group. One way in which unemployed people vary from one another is by what they do whilst they are out of work. Some unemployed people will be highly *active* – engaging in organizations, groups and other forms of voluntary work – whilst others will not. This raises an important question for ALMPs: does *active* unemployment – comprising other forms of social activity and contribution - have the same well-being effects compared to training programmes? If this is the case, it might undermine the case for using ALMPs as mechanisms to increase the well-being of unemployed people, suggesting there are plausibly cheaper – and less politically controversial – ways to promote resilience amongst the unemployed. If it is not the case, the argument for ALMPs is strengthened, and it will suggest there is something unique about work-related programmes in promoting well-being.

The existing literature on the relationship between unemployment and forms of social activity such as volunteering is largely unequivocal in suggesting positive well-being effects. In the UK, Baines and Hardhill (2008) found that unemployed people undertaking voluntary work felt that it provided them with a social role, sense of purpose and the opportunity to be engaged in a distinctly ‘public space’. Importantly, there are similarities between the outcomes suggested by Baines and Hardhill (2008) in relation to volunteering and Jahoda’s proposed ‘latent functions’ of work, which are often

used to explain the positive effects of ALMPs. This is a link explicitly made by Nichols and Ralston (2012), who claimed that volunteering was able to provide unemployed people with these 'latent functions', particularly in the sense of creating a means of contributing to society, whilst also strengthening people's sense of personal identity. In an earlier study, MacDonald (1996: 29) described volunteering as a means to "construct alternative working lives" for those "at the edges of the labour market".

There are however no direct comparisons of the well-being effects of ALMPs and 'active unemployment'. As a result, it is difficult to predict with confidence how these two groups will compare. Contrastingly, the evidence base does predict a difference between 'actively' unemployed people and those who do not participate in voluntary groups; yet the relationship with ALMPs is less clear. On the one hand, charitable work and other forms of social activity might have stronger well-being effects compared to ALMPs. They are likely to be entered into wholly voluntarily, which compares favourably with the mandation inherent to many ALMPs, whilst providing similar 'latent functions'. On the other hand, many ALMPs attempt to bring people closer to the labour market by providing participants with work experience or training. Consequently, they may increase optimism and hope for the future, as well as providing a more explicit, work-related social status and identity compared to volunteering.

METHODS

To examine well-being differences between ALMP participants and the actively unemployed, data from the Citizenship Survey (CS) is pooled for the 2010 and 2011 waves. Whilst the CS has a smaller sample size than both the APS and BHPS, it nevertheless contains important data on participation in voluntary groups and organizations. To identify the actively unemployed, two key variables are used: (1) groups, clubs and organizations that people take part in and (2) types of voluntary help that people give. The first variable is thus a measure of *participation*, whilst the second variable is a measure of *contribution*. Figure 7.11 summarizes both variables.

Figure 7.11 Measures of Social Participation and Contribution

Participation

“Have you taken part in the following groups, clubs or organizations...”

- (a) Children’s education and schools; (b) youth and children’s activity outside schools; (c) adult education; (d) sports; (e) religion; (f) politics; (g) elderly groups; (h) health, disability and social welfare; (i) safety and first aid; (j) environmental; justice and human rights; (k) local community or neighbourhood; (l) citizens’ groups; (m) hobbies/recreation/arts clubs.

Contribution

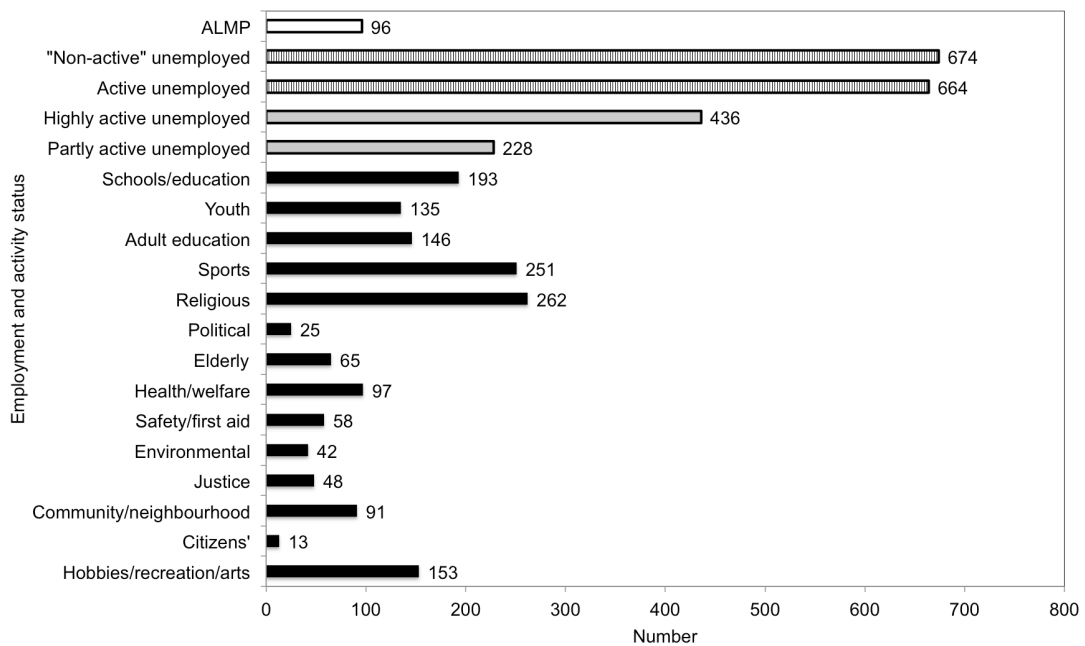
“Have you given the following type of voluntary help...”

- (a) Raising or handling money; (b) leadership; (c) running an activity; (d) visiting people; (e) mentoring; (f) providing advice; (g) secretarial duties; (h) providing transport; (i) representation; (j) campaigning; (k) practical help; (l) other help.

In the subsequent analyses, the actively unemployed are compared to ALMP participants in three stages. In the first stage, unemployed people are divided into two separate groups. The first group – the *actively* unemployed – are those who record at least one instance of social participation or contribution. For example, an actively unemployed person could be someone who records participating in a religious or political party or, alternatively, records volunteering to provide transport or mentoring services. The second unemployed group, contrastingly, are those who record no instances of participation or contribution. Illustrating the number of individuals in each group, Figure 7.12 shows that the ‘actively’ (674) and ‘non-actively’ (664) unemployed are almost evenly split in number. In the second stage, the

actively unemployed are then divided into two new groups by the degree of activity. The *highly active* (436) are those who record both participation in a group and contributing a service of some kind. The *partly active* (228) are those who only record either participation or contribution but not both. In the third and final stage, separate regression models are estimated for each of the 14 types of group participation. The aim of this approach is to explore whether there are any specific forms of group participation that are particularly associated with higher well-being amongst unemployed people. Figure 7.12 shows that the most popular forms of participation amongst unemployed people are religious (262), sports (251), educational (193) and recreational/hobbies (153). Some types of organizations, such as political and citizens' groups, have extremely low participation rates and the regression results will be of minimal value.

Figure 7.12 Activity Types amongst the Unemployed



RESULTS

Table 7.13 shows the results of two regression models on life satisfaction, with the unemployed group differentiated by level of participation/contribution. In the first model, unemployed people are split into two groups - active and non-active – with the ‘active unemployed’ group as the reference category. This enables a comparison of this group’s life satisfaction with both the ‘non-active’ unemployed and ALMP participants. In the second model, unemployed people are split into three groups: highly active (reference category), partly active and non-active. The following conclusions from the two models can be made:

- Being ‘actively’ unemployed is associated with significantly higher life satisfaction than being ‘non-actively’ unemployed. This suggests that taking part in groups, organizations and voluntary work might be able to mitigate the negative life satisfaction impact of unemployment. There is the significant possibility however of reverse causation: more satisfied unemployed people might be more likely to take part in voluntary work and group participation.
- Nevertheless, the active unemployed continue to have significantly lower life satisfaction than ALMP participants. The difference between the two groups is still relatively large and comparable to the difference between the active unemployed and those in paid work. This suggests that whilst voluntary work can alleviate some of the psychological costs of unemployment, it is unable to match the corresponding effect of ALMPs.

- There is no evidence that being ‘highly active’ – i.e. participating in a group *and* undertaking voluntary work – has a stronger life satisfaction effect than only recording one instance of participation/contribution. This suggests that there can be significant effect of small or even single instances of voluntary work on the well-being of unemployed people. On the other hand, it may also suggest limitations to the variables. For example, someone who is ‘partly active’ may participate or contribute to a group on a regular basis, whilst someone ‘highly active’ may have fewer instances of participation/contribution but undertake both forms of activity. Future research should attempt to disentangle the frequency and intensity of activity amongst unemployed people.

To unpick whether there are any specific types of group participation that are associated with higher life satisfaction effects, Table 7.14 shows the results of 14 regression models for each particular type of group. In each model, unemployed people are categorized by whether they are (a) a participant in the group or (b) a non-participant. Unemployed participants are the reference category in each model, enabling a comparison with both the ALMP group and unemployed non-participants. For certain types of group activity, there are very low numbers of unemployed participants. Group activities with fewer than 50 unemployed participants are shaded in light grey in Table 7.14, as the estimates will have extremely limited explanatory power. The following conclusions from the models can be made:

- Not every type of group activity is associated with increased life satisfaction amongst unemployed people. The types of voluntary activity that are associated with higher life satisfaction include: youth activities (model 4); adult education (model 5); community and neighbourhood groups (model 14); and arts, social and recreational groups (model 16). Importantly, the two largest types of group activity – sports clubs and religious groups – have no impact on life satisfaction relative to non-participation. One plausible explanation is that the activities that are associated with raised life satisfaction contribute more directly towards building relevant labour market experience and skills, whilst those that do not are less applicable in this respect.
- Not considering the models that have very low numbers of unemployed participants, there are only two types of activities – youth groups and community/neighbourhood groups – in which members have equivalent levels of life satisfaction with ALMP participants. Although this is only a small proportion of the total number of groups, it is a significant finding in policy terms: suggesting that some forms of voluntary activity can have parallel well-being effects to ALMPs for unemployed people.
- Whilst it is not clear *why* these two types of activities are associated with relatively high life satisfaction, Figure 7.15 is able to give some tentative suggestions. In the graph, for each type of group activity the proportion of participants who also report *contributing* to the group is shown. Those who attend youth activities or community groups have

relatively high rates of contribution: 84 per cent and 87 per cent of attendees also report contributing some form of practical help to the group. Alternatively, people who participate in religious and sports groups have relatively low levels of contribution: 67 and 68 per cent respectively. Crucially, unemployed participants in religious and sports groups had equivalent life satisfaction to unemployed non-participants. In addition to the possibility that these activities are less applicable to the labour market, the relatively low levels of contribution might be an equally plausible way of explaining these findings.

To summarize, the findings in this section show that voluntary group participation and contribution – so-called ‘active unemployment’ - is associated with higher well-being amongst unemployed people compared to non-participation. On average however, active unemployment is not associated with the same life satisfaction levels as ALMP participation. Nevertheless, once the *type* of group activity is specified some interesting effects emerge. The most important effect is that two types of activity in particular – participation in youth services and community/neighbourhood groups – have a notably strong association with (a) higher life satisfaction relative to the non-active unemployed and (b) equivalent life satisfaction to ALMP participants. These results show that in some circumstances, voluntary group participation and activities might be able to ameliorate the well-being costs of unemployment to the same extent as ALMPs. There are two important caveats to this conclusion however. The first is that for the

majority of voluntary groups, ALMPs were still associated with significantly higher life satisfaction. This suggests that if voluntary activities do have strong well-being effects amongst unemployed people, it is only in very specific contexts and circumstances that they are able to achieve the same effects as ALMPs: these particular contexts need to be researched more closely and with better datasets. The second caveat is that this association is particularly vulnerable to the charge of reverse causation: i.e. that unemployed people who are more satisfied with their lives are more likely to take part in voluntary activities than those who are unsatisfied. To address this challenge, longitudinal data could be used to examine causality.

Table 7.13 OLS Regressions of Indicators of Life Satisfaction by ‘Active’ and ‘Non-Active’ Unemployment⁵⁵

	Model 1	Model 2
	Life satisfaction	Life satisfaction
	Current employment status (ref: ‘active unemployed’)	Current employment status (ref: ‘highly active unemployed’)
‘Non-active’ unemployed	-0.228*** (0.046)	-0.190*** (0.051)
ALMP	0.335** (0.099)	0.372*** (0.102)
‘Partly active’ unemployed	-	0.125+ (0.070)
Employed	0.316*** (0.033)	0.355*** (0.040)
Student	0.361*** (0.042)	0.399*** (0.047)
Family care	0.316*** (0.039)	0.354*** (0.044)
Sick/disabled	-0.170*** (0.040)	-0.132** (0.046)
Retired	0.377*** (0.040)	0.416*** (0.46)
Other status	0.137** (0.049)	0.175** (0.053)
Constant	4.582	4.544
R ²	0.102	0.102
Adjusted R ²	0.099	0.100
N	22056	22056

Standard errors in parentheses
+ p<.10, * p<.05, ** p<.01, *** p<.001

⁵⁵ Full models with all control variables are included in Appendix Three in Table A3.21

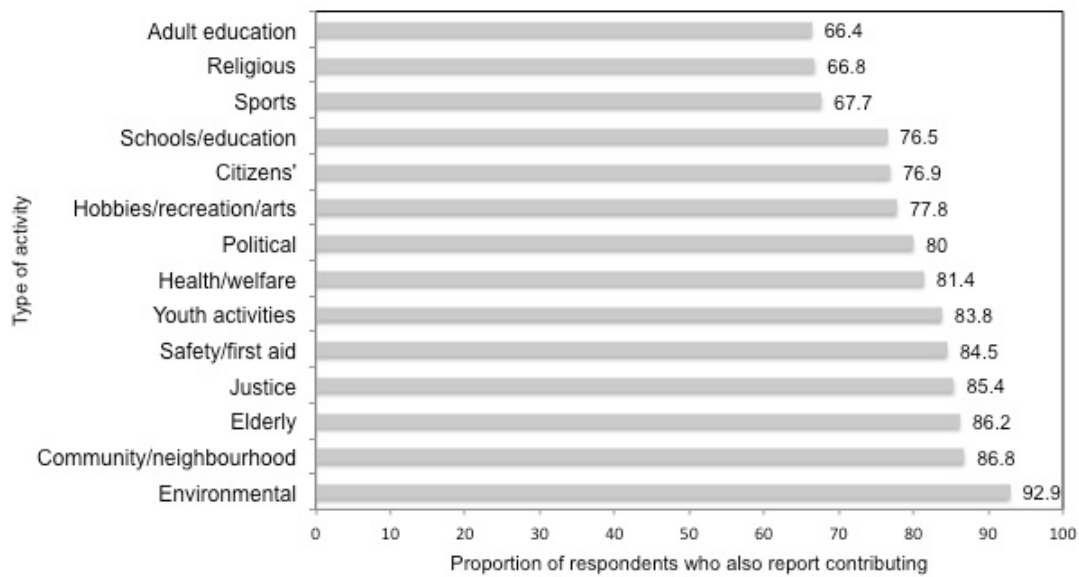
Table 7.14 OLS Regressions of Indicators of Life Satisfaction by Type of Participatory Activity⁵⁶

	Model 3: participation in children's education/schools	Model 4: participation in youth activities	Model 5: participation in adult education	Model 6: participation in sport	Model 7: participation in religious activity	Model 8: participation in political groups	Model 9: participation in support for elderly
	Life satisfaction	Life satisfaction	Life satisfaction	Life satisfaction	Life satisfaction	Life satisfaction	Life satisfaction
Current employment status (ref: A)							
ALMP	0.356** (0.112)	0.234+ (0.123)	0.281* (0.119)	0.362** (0.106)	0.469*** (0.117)	0.218 (0.180)	0.378* (0.152)
Unemployed (non- participant)	-0.105 (0.067)	-0.231** (0.084)	-0.183* (0.078)	-0.107+ (0.056)	0.027 (0.074)	-0.233 (0.155)	-0.070 (0.121)
Constant	4.571	4.691	4.643	4.559	4.456	4.708	4.547
R ²	0.101	0.101	0.101	0.101	0.101	0.101	0.101
Adjusted R ²	0.099	0.099	0.099	0.099	0.099	0.099	0.099
N	22056	22056	22056	22056	22056	22056	22056
	Model 10: participation in social welfare groups	Model 11: participation in safety and first aid groups	Model 12: participation in environmental groups	Model 13: participation in justice/human rights groups	Model 14: participation in local community/neighbourhood groups	Model 15: participation in citizens' groups	Model 16: participation in arts and social groups
	Life satisfaction	Life satisfaction	Life satisfaction	Life satisfaction	Life satisfaction	Life satisfaction	Life satisfaction
Current employment status (ref: ALMP)							
ALMP	0.418** (0.129)	0.318* (0.139)	0.563*** (0.143)	0.318+ (0.189)	-0.023 (0.130)	0.124 (0.305)	0.256* (0.110)
Unemployed (non- participant)	-0.029 (0.092)	-0.134 (0.105)	0.123 (0.110)	-0.130 (0.165)	-0.500*** (0.093)	-0.323 (0.291)	-0.227*** (0.063)
Constant	4.508	4.605	4.361	4.608	4.954	4.800	4.663
R ²	0.101	0.101	0.101	0.101	0.102	0.101	0.101
Adjusted R ²	0.099	0.099	0.099	0.099	0.100	0.099	0.099
N	22056	22056	22056	22056	22056	22056	22056

Standard errors in parentheses
+ p<.10, * p<.05, ** p<.01, *** p<.001

⁵⁶ Full models are shown in Appendix Three in Table A3.22

Figure 7.15 Proportion of Group Participants who also Report Contributing to the Group



ALMPs and Pre-Intervention Well-Being

One of the most common findings on how the well-being impact of ALMPs varies according to environmental characteristics concerns what researchers term the 'behavioural plasticity' – or 'individual responsiveness' - effects shown by people with low levels of pre-intervention well-being. This is the idea that those with initially low levels of well-being have a higher psychological 'plasticity' or 'responsiveness': i.e. their well-being is more likely to be shaped by environmental interventions like ALMPs. For example, those with higher levels of poor mental health, depression or anxiety may benefit the most from ALMPs; similarly, those who display relatively stable psychological functioning during unemployment may exhibit minimal well-being improvements.

These findings were demonstrated in a series of Australian studies that examined the psychosocial effects of cognitive behavioural therapy (CBT) programmes and occupational skills/personal development schemes on unemployed people (Creed et al., 1998; Creed et al., 1999; Creed et al., 2001). In the first of these studies, Creed et al. (1998) compared high depressed programme participants with low depressed ones, finding that the course resulted in significant psychological improvements for the high depressed group, with no observable well-being changes for the low depressed one. In later studies the authors found a parallel finding when analysing different training programmes (Creed et al., 1999; 2001). The Creed studies however took place in a very different labour market environment to the UK, where there has hitherto been no attempt to examine whether ALMPs effects are dependent on baseline levels of well-being. Nevertheless, based on the existing evidence it is possible to derive the following hypothesis:

1. Well-being gains will be strongest for those with lower levels of pre-ALMP well-being.

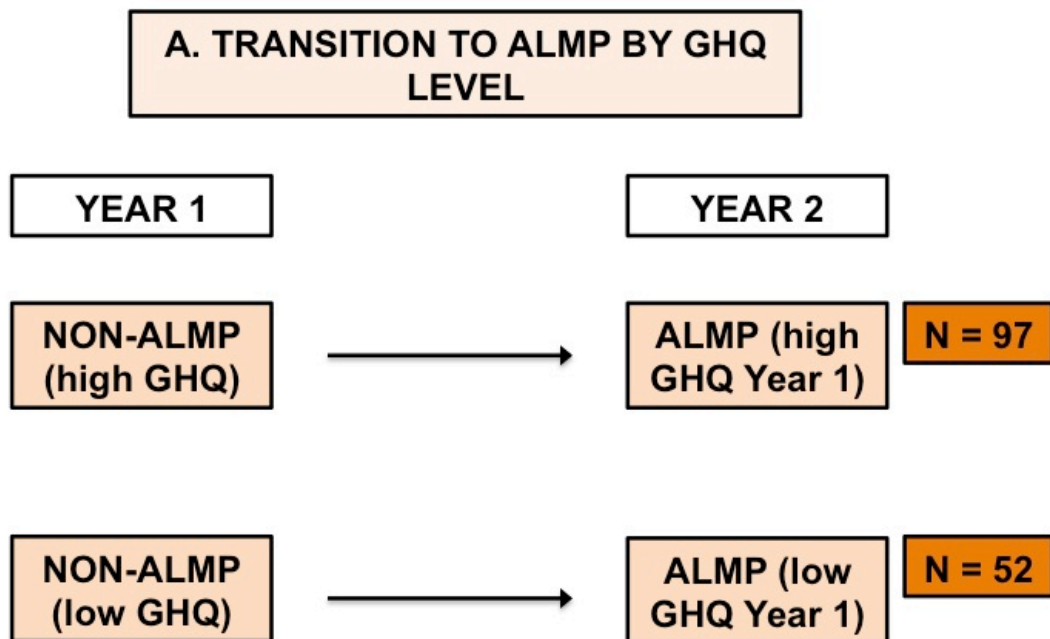
METHODS

To explore whether there are 'behavioural plasticity' effects associated with ALMPs and pre-intervention well-being, the BHPS/UKHLS dataset used in Chapter Six is analysed in a longitudinal perspective again. In this section, the objective is to explore whether the well-being effects (GHQ-12) of the transition from a non-ALMP position (Year 1) to an ALMP position (Year 2) varies according to whether an individual has either (a) low well-being in Year 1 or (b) high well-being in Year 1. There are thus two specific groups

that are compared. In both groups, the labour market situations in Years 1 and 2 are identical; the key differentiating identifier is the level of well-being in Year 1 and the dependent variable is how well-being changes for these two groups between the two years.

This is illustrated in Figure 7.16. As is clear, the final sample is relatively small, consisting of 149 individuals in each year, and is generally due to the small percentage of people who ever participate on training programmes. In an ideal research design, the labour market status at Year 1 would have been specified in separate analyses. For example, the analysis could have been limited to those who move from paid work to ALMPs. However, the small sample size made this option unfeasible. Thus, individuals who move to an ALMP in Year 2 from any other employment status in Year 1 are included in the analysis. In total, 75 individuals moved to ALMPs from being 'off benefits' (e.g. paid work; full-time study), 61 from unemployment and 13 from long-term disability/sickness. ALMP participants were assigned to either a high or low well-being group based on a mean split of Year 1 GHQ-12. Mean GHQ-12 at Year 1 was 23.8, with 52 people below this score and 97 above it.

Figure 7.16 ALMP Transitions by Year 1 GHQ-12 Levels



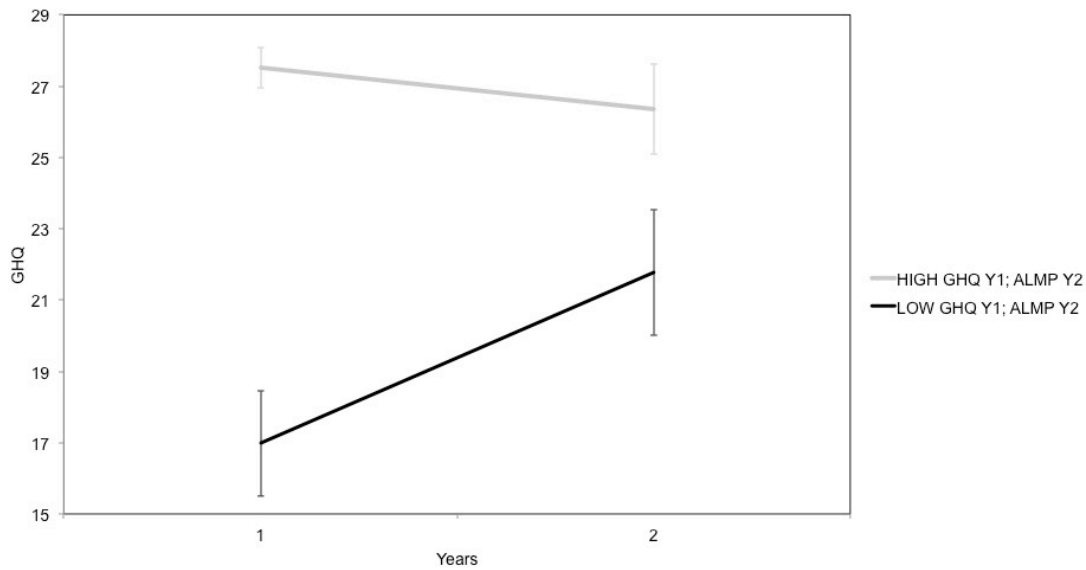
In total, three sets of models are estimated. In the first model, the Year 1 GHQ-12 of the two groups is compared. Self-evidently, large and significant differences in GHQ-12 will be found here, with the aim of this model being comparative: i.e. to provide a coefficient for Year 1 that can be compared to Year 2. In the second set of models, two dependent variables are analysed: (a) change in GHQ-12 between Years 1 and 2 and (b) GHQ-12 at Year 2. The aim of these estimations is to explore whether moving to an ALMP is associated with a higher increase in GHQ-12 for the low well-being group compared to the high well-being group. In addition, the second dependent variable – Year 2 GHQ-12 – can be compared to the first set of models, which analysed GHQ-12 differences in Year 1. In these estimations, two models also control for employment status in Year 1. This could be crucial. For example, a high proportion of the low well-being group may move to ALMPs

from unemployment, whilst the high well-being group may come predominantly from paid work. Thus, if it is case that the low well-being group experience large GHQ-12 gains and the high well-being group do not, it might be prior employment status driving these changes: not the environment of the ALMP itself. In the final set of models, individuals in Year 2 are compared to themselves in Year 1. The objective of these estimations is to see whether people are significantly different the year after moving to an ALMP.

RESULTS

The graph in Figure 7.17 illustrates mean change in GHQ-12 between Years 1 and 2, with Year 2 ALMP participants categorized by their Year 1 well-being scores. As is clear, upon moving into an ALMP the low well-being group experience a large increase in mean well-being: rising from an average of 17.0 in Year 1 to 21.8 in Year 2. Alternatively, those with high well-being in Year 1 experience a slight decline in well-being upon programme participation – from a mean of 27.5 to 26.3 - although the confidence intervals suggest this is not a statistically significant change.

Figure 7.17 Average Change in GHQ-12: High and Low Well-Being Groups



Tables 7.18 to 7.20⁵⁷ show the results of seven OLS regressions. In each model, a range of control variables are included but not shown in the tables below. In total, four substantive conclusions can be made:

1. Inevitably, there are large well-being differences between the high and low GHQ-12 groups in Year 1 (Model 1). After controlling for a range of explanatory variables, in Year 1 the low well-being group has a GHQ-12 score that is 9.6 points lower than the high well-being group. However, in Year 2 the difference between the groups is far smaller (Models 4 and 5). Although the difference is still statistically significant, there is only an average GHQ-12 difference of 4.4 points: suggesting ALMPs have differential effects depending on pre-intervention well-being.

⁵⁷ Full models are shown in Appendix Three in Tables A3.22-A3.24.

2. Models 2 and 3 show that this is caused by the far larger GHQ-12 effect that ALMPs are associated with for those low well-being compared to those with high well-being. Compared to participants with high levels of baseline well-being, those with low well-being experience on average a 5.9 increase in GHQ-12 upon moving to an ALMP. Thus although the two groups remain significantly different in Year 2, entry into ALMP is associated with a ‘catch-up’ process amongst those with initially low well-being scores.
3. Models 3 and 5 show how this change is uninfluenced by prior employment status. The conclusions from Models 2 and 4 are unaltered by the inclusion of Year 1 employment status as a control variable.
4. When individuals are compared against themselves a year prior to ALMP participation, those with low baseline well-being have an average GHQ-12 score that is 5.0 points lower in Year 1 compared to Year 2: a large and statistically significant difference. Contrastingly, individuals with high baseline well-being are not significantly different to themselves between the two years. For the high well-being group therefore, the findings suggest that moving onto an ALMP fails to affect well-being: for better or worse.

Table 7.18 OLS Regressions for Year 1 GHQ-12 by Year 1 GHQ Level for Year 1 Non-ALMP Participants

	Model 1 GHQ-12
GHQ level Year 1 (ref: High GHQ)	
Low GHQ	-9.581*** (0.682)
Constant	21.537
R ²	0.756
Adjusted R ²	0.704
N	149

Standard errors in parentheses
+ p<.10, * p<.05, ** p<.01, *** p<.001

Table 7.19 OLS Regressions for GHQ-12 Change/GHQ-12 by Year 1 GHQ Level for Year 2 ALMP Participants

	Model 2 GHQ-12 change Y1-Y2	Model 3 GHQ-12 change Y1-Y2	Model 4 GHQ-12 Y2	Model 5 GHQ-12 Y2
GHQ level Year 1 (ref: High GHQ)				
Low GHQ Year 1	5.942*** (1.322)	5.944*** (1.319)	-4.413*** (1.139)	-4.391*** (1.140)
Employment status Year 1 (ref: employed)				
Unemployed (Year 1)		1.136 (1.519)		1.460 (1.313)
Other (Year 1)		-1.767 (1.658)		-0.588 (1.433)
Constant	-0.769	-5.232	29.464	25.400
R ²	0.345	0.359	0.378	0.389
Adjusted R ²	0.199	0.203	0.240	0.240
N	149	149	149	149

Standard errors in parentheses
+ p<.10, * p<.05, ** p<.01, *** p<.001

Table 7.20 OLS Regressions for GHQ-12 (Year 1 and 2) by Year 1 GHQ-12 Level

	Model 6 GHQ-12	Model 7 GHQ-12
Low GHQ group (ref: Year 2)		
Low GHQ group Year 1	-4.966*** (1.146)	
High GHQ group (ref: Year 2)		
High GHQ group Year 2		0.928 (0.683)
Constant	29.794	21.010
R ²	0.366	0.225
Adjusted R ²	0.163	0.099
N	104	194

Standard errors in parentheses
+ p<.10, * p<.05, ** p<.01, *** p<.001

The conclusions from this section confirm the 'behavioural plasticity' findings associated with the Australian studies conducted by Creed et al. (1998; 1999; 2001) over a decade ago. That is, programme participants with lower well-

being react differently to ALMPs compared to those with high well-being. This is not a surprising finding and confirms the broader picture to emerge from this chapter: individuals do not respond to ALMPs in a uniform way and experiences are shaped by a variety of factors, such as the training environment, demographic characteristics and previous labour market experience.

Broadly, there are two different explanations about why ALMPs appear to be more beneficial for those with lower well-being. The first is a statistical explanation, being that this effect represents a 'regression to the mean'. In this context, regression to the mean implies that people with extremely low well-being at the first measurement will tend to report a less extreme value at the subsequent measurement. It is highly likely that this explains some of the differential effects of ALMP transition by well-being level. However, for comparative purposes the same process described above was completed with Year 2 unemployed people as opposed to Year 2 ALMP participants. In this instance, the unemployed low well-being group also experienced a large rise in GHQ-12. However, the mean change in GHQ-12 for the low well-being group was only 2.1 (17.3 to 19.4), compared to the 4.8 change experienced by the ALMP low well-being group (from 17.0 to 21.8). In crude terms, this suggests that around half of the increase in GHQ-12 experienced by the ALMP participants was driven by 'regression to the mean', with the other half linked to participation in the programme.

A second explanation is subsequently linked to the nature of the programmes and the way in which they are experienced by people with low well-being. One idea, developed by Creed et al. (1998), is that ALMPs lead to an environment in which those with very low well-being benefit from being around high well-being individuals who also share their situation. In this sense, more positive, higher functioning unemployed ALMP participants may act to support and influence those around them who struggle much more seriously with job loss. There is however no empirical evidence to support this claim and, for the purposes of policy-making and ALMP design, far more research is needed on why ALMPs work best for those with the lowest well-being.

Chapter Conclusions

This chapter sought to explore the extent to which ALMPs have differential effects on well-being according to varied environmental and contextual conditions. The key argument of this chapter is that ALMP participants (and unemployed people) are a heterogeneous group, differentiated to one another across a variety of cleavages; thus, if participants can be so different to one another, it stands that ALMPs will affect people in a diverse range of ways. The differentiating conditions explored included the specific type of intervention, a person's particular socio-demographic characteristics, labour market history, other forms of social activity and pre-ALMP levels of well-being.

The findings in this chapter overwhelmingly support the view that the positive well-being effects of ALMPs – observed in the previous two chapters – are profoundly dependent on a variety of other conditions. Firstly, the well-being effects of ALMPs are determined by the nature of the intervention. Programmes that focus on training, upskilling and work experience (work-oriented) have far more consistent well-being effects than programmes that simply offer intensified forms of employment advice (employment-assistance). There are broadly two plausible explanations for this finding. First, work-oriented ALMPs are more effective in matching Jahoda’s (1982) latent functions of paid work: time structure; social contacts; collective purpose; status; and regular activity. Second, work-oriented ALMPs provide participants with a stronger sense of social role, identity and contribution, whilst simultaneously generating lower feelings of stigma and shame than employment-assistance schemes, with the latter defined by the heavy use of mandation and conditionality.

The second major finding from this chapter was that demographic characteristics matter. In total, three characteristics were examined: gender, age and education level. The findings showed that ALMPs had stronger well-being effects for men, younger people and the less well educated. Once again, a powerful, plausible explanation for this finding can be linked to the interaction between ALMPs and the feelings of shame or stigma commonly associated with unemployment. For example, men tend to attach a far stronger value to paid work as a determinant of their social position and status; thus, as ALMPs can represent an explicit reengagement with the

labour market, it is unsurprising that their effects are stronger for men compared to women. In addition, older unemployed people – many of whom will have decades of labour market experience – may find the experience of low skilled training or job search far more demeaning than younger unemployed people. Relatedly, participating in often basic training courses could embarrass or humiliate people with degrees far more than those with no qualifications or skills.

A similar explanation can be ascribed to the third major finding: that those of a higher occupational class fail to benefit from any ALMP, both work-oriented and employment-assistance. This again suggests that ALMPs' success lies not just in the extent to which they provide an environment capable of matching the functions of paid work, but how they interact with how a person feels about themselves and about being unemployed. In this example, a highly skilled and qualified person may be on a programme that provides time structure and social activity but does little to enhance the person's sense of social identity. The fourth finding from this chapter – that social activity and participation amongst unemployed people can raise well-being but generally not to the extent that ALMPs do – also fits these explanations. Socially active unemployed people who participate and contribute to groups will likely have a similarly structured, active week as ALMP participants. However, they often fail to reach the same well-being levels as those on ALMPs. The answer can be tied to the probability that the explicit link between ALMPs and paid work provides participants with a stronger sense of social contribution and identity than voluntary activity is

capable of. The final section of this chapter showed that ALMPs have a stronger effect for those with low baseline levels of well-being, suggesting that those who feel worse about being unemployed benefit most from labour market training schemes.

The findings in this chapter subsequently suggest that in the design of ALMPs, a wide range of different factors need to be considered about *who* is targeted and *what* type of schemes are provided for them. The findings also illuminate *why* ALMPs might be associated with positive well-being effects for certain groups of people. Arguably, the explanation lies in the extent to which programmes are successful in two distinct ways. On the one hand, do ALMPs provide individuals with an environment similar to *employment*? On the other hand, do they simultaneously negate the negative feelings of shame, low status and stigma that are often associated with *unemployment*? Programmes might be at their most effective when they combine both of these conditions

CHAPTER EIGHT
Experiences of Unemployment and ALMPs: A
Qualitative Analysis

INTRODUCTION

This chapter presents an analysis of a qualitative project with ALMP participants in north-west England, aiming to consider (a) experiences of unemployment and (b) how ALMPs affected unemployed life. Such questions are well suited to a qualitative research design as they explore service users' experiences and perspectives of interventions. Further, the qualitative focus also presents an opportunity to explore the processes that underlie the observed effects of ALMPs, contributing to the broader methodological aim of this study. The empirical findings are subsequently reported in two sections aligned to the questions stated above. The first section explores the experience of unemployment from the perspectives of the participants, examining reasons why unemployment hurts and how participants utilized 'coping mechanisms' to manage the experience of being unemployed. In this section, unemployment is conceptualized as a process of *loss*, with three different types of loss (agency, functional and social) identified. The second empirical section looks more closely at ALMPs, analysing how the qualitatively different types of ALMPs that participants engaged on interacted with the processes of loss identified in the preceding section. In the concluding section, the results are reviewed in the broader theoretical context of ALMPs.

The Experience of Unemployment

For all 12 participants, unemployment was a universally negative experience associated with a wide range of adverse economic, social, health and psychological ‘symptoms’. Numerous participants for example talked about how unemployment had lowered their senses of self-esteem and self-worth. Terry, a recent graduate who was re-employed at the time of interview, described how he “*felt useless*” without a job and was “*going a bit mad*”. This sense of ‘going mad’ – of becoming detached from a perceived normal, everyday life – was reported by numerous other participants. Sean described the disruption to his daily life that unemployment brought about:

“It ended up where I’d be literally lying in bed, not wanting to get out of bed, then staying up late and being in bed 12 hours a day. Just trying to kill the time.”

Similarly, Mahumd explained how unemployment affected both his physical and mental health. He stated that he felt “*suicidal*” whilst unemployed and how this in turn affected his physical health: “*when I was unemployed I used to get tired, but I never knew what I was getting tired of*”. When probed, Mahmud linked this to the effect of unemployment on his well-being: “*it was just the whole situation: low self-confidence, low self-esteem, everything, it just got you down*”. Three of the participants (Carol, Michael and Rachel) disclosed that they had been prescribed anti-depressants by their GPs whilst they were unemployed, whilst Sean linked his poor health to unemployment: “*I went from being a regular at the gym, eating good food, going to work, studying, to getting chipped away by lack of employment, lack of support, having little money. During this time my health was deteriorating*”.

REASONS WHY UNEMPLOYMENT HURT

As Chapter Three discussed, existing theories of unemployment generally point to two ‘loss mechanisms’ that explain its consistently deleterious effects: agency (especially vis-à-vis loss of income) and work-related (loss of the ‘latent functions’ of paid work). These two mechanisms were strongly and consistently evident in the testimonies of the participants.

Material loss

Arguably, the material frustrations and hardships brought about by unemployment were some of the most commonly cited reasons that participants linked to the negative feelings of unemployment. Economically, unemployment was often associated with a continuous effort just to get by with daily life. Rachel, a lone parent of three children, stated how having little money made life so difficult. She described unemployment as a “*constant struggle*”, in which “*you find it so hard do things...especially when you have kids*”. Similarly, Thomas also mentioned the struggle of everyday life whilst being on benefits with young children to look after. He described his frustrations at “*not being able to take my children anywhere; it is just basically frustrating as the cost of living is so high, food is so expensive, as soon as you step out of your door you have to spend money*”. Kalea talked about how economic hardship meant she was unable to do everyday things other people take for granted. She said that “*not having any money*” was the worst thing about unemployment: “*not being able to go on holiday, not being able to afford to buy things in town or just buy anything, because it (unemployment benefit) is not enough*”. Being on an economic cliff edge was

brought up by almost every participant and permeated the experience of being unemployed. This finding is extremely predictable; as Wright (2013: 833) states, unemployment in the UK “almost guarantees living in poverty” as a consequence of the “inadequacy of benefit levels”. It was not surprising therefore that participants found themselves in positions of poverty, or that this was a fundamental component that shaped how they experienced unemployment.

Functional loss

In addition to the economic costs of unemployment, participants also spoke about how being without work changed the experience of everyday life. In Jahoda’s (1982) terminology, this was a case of participants demonstrating a frustration with their inability to access the key, psychological functions of paid work. This second unemployment loss mechanism – a *functional* one - manifested itself in two prime ways. Firstly, unemployment deprived people of a sense of structure, activity and routine to the day and this was something that many participants craved. With the lack of these functions, the home was often spoken of with contempt as a space in which people felt trapped in to and which made them feel low. Michael stated: “*I was lying in bed all day and sitting on my arse all day. I was staying in all the time, I was feeling depressed, I was feeling low*”. Similarly, Rachel complained that “*when I did not work, I was stuck in the house 24/7. I was stuck at home doing the same things day-after-day: tidying the house, sorting the tea out*”. Mahmud echoed these sentiments; he stated that one of the hardest aspects of unemployment was “*being stuck in four walls and not being able to do anything*”. Secondly, everyday life lacked a sense of purpose and motivation that many people

associate with and derive from going to work. For Sean, an unemployed graduate, this was one of the most difficult aspects of unemployment. He stated that he had “*no reason to get up in the morning*” and linked this to having a lack of purpose in his life: “*it is a horrible feeling not having a purpose in life, having a job gives you purpose...if you don't have purpose it is hard to enjoy things*”.

Status loss

However, there was an additional, third loss mechanism repeatedly brought up by the participants: the loss of pride and social acceptance that, in turn, ignited feelings of social shame and rejection. Crucially, these feelings were evident throughout numerous dimensions of everyday, unemployed life. For Terry, his shame was most acutely felt in his own home, where his inability to contribute to the running of the household led to feelings of hurt pride and feelings that he was ‘free-riding’ on his wife. Mahmud felt a similar sense of shame and humiliation but mostly in social situations in which he met new people. In particular, Mahmud was anxious about being asked about his job: “*whenever somebody asks you “what do you do?”, you kind of hesitate. I really hated it, I just hoped and prayed that they did not ask me*”. For both Joey and Thomas, feelings of social rejection were associated in their unsuccessful dealings with employers; and, such was the intensity of these feelings, both had considered not applying for jobs at some point in time just to avoid further rejection. Finally, Carol felt intense feelings of self-doubt in her relations with the Jobcentre, stating: “*I try to go to the Jobcentre wearing smart clothes because the staff there look down on you and speak to you as if you are something vile they have stepped in*”. Throughout everyday life then,

the negative experience of unemployment went way beyond low income and the loss of the functions of paid work; in addition, unemployment meant that participants carried with them a profound sense of stigma throughout many forms of everyday interactions.

The relationship between unemployment and stigma corresponds with Goffman's (1963) second form of stigma, which he described as emerging from perceived "blemishes of individual character". Amongst the participants, the status of being unemployed was often characterized as such a "blemish" and was exacerbated by two particular forces.

Firstly, the contrast between media and political portrayals of benefit claimants, documented below, and the participants' own, strong sense of work ethic intensified the negative feelings of being unemployed. Participants widely expressed a desire and drive to work: espousing a belief that work was the 'right thing to do'. Importantly, this commitment appeared to strengthen the negative emotions they attached to unemployment. Some people expressed a willingness to make sacrifices or do any form of work in order to exemplify their commitment to employment. Karim for example was willing to move away from his family to find a job, stating "*I've been interviewed for jobs all over, that tells you my desperation, I will just work there and come back and see my family*". Similarly, Mahmud stated "*I am really willing to do anything*"; Thomas argued "*I have always worked, whatever job it is I am willing to take it on*"; whilst Sean went as far as saying "*I would have drove a milk cart around every morning*". The participants' belief in the importance

and value of work was often contextualized alongside the misery of being unemployed. Goffman (1963: 17) notes this broader phenomenon regarding the stigmatized person, who often “tends to hold the same beliefs about identity as we (the non-stigmatized) do”. It is this tension – between subscribing to particular norms and the inability to conform to them – that was evident in the participants’ stories

Secondly, and relatedly, media and political portrayals of people on benefits often provoked feelings of anger and frustration at how they contrasted with the reality of unemployment and the work ethic of the participants. The interviews took place at the same time as Channel 4 was broadcasting its popular but controversial series *Benefits Street*.⁵⁸ Without prompting, *Benefits Street* was consistently brought up voluntarily by participants, who associated it with feelings of anger and upset. Rachel for example stated that “*it is absolutely disgusting, I hate it – they make people look like they are having fun on benefits*”. Mahmud echoed these feelings, arguing that “*they (Channel 4) are taking the mickey: there are genuine people out there – it is not nice when all unemployed people are pushed into one corner and stigmatized*”. Spicker (2011) describes this kind of process as evidence of the “socially defined” nature of stigma. Stigma does not emerge from nowhere but is created “in the minds of others...a stigmatized person loses respectability and the shame he feels is a natural consequence of that”.

⁵⁸ *Benefits Street* was a documentary series broadcast by Channel 4 between January and February 2014. It documented the lives of residents of one street in Birmingham that, according to the producers, had a high level of reliance on benefits. Despite proving a commercial success, the series was controversial for its portrayal of people on benefits, with Jensen (2014) describing it as part of the genre of ‘poverty porn’.

Thus, these three examples of dominant work norms – experienced or perceived from wider society, key social institutions or the participants themselves – were, alongside the economic and functional costs of unemployment, instrumental in structuring the overwhelmingly negative experience of being unemployed.

COPING MECHANISMS

Participants employed a variety of coping mechanisms to help them deal more effectively with the psychosocial costs of unemployment. In general, two prominent strategies emerged. The first strategy was that participants often took practical measures to overcome some of the negative aspects of everyday unemployment. Generally, these measures included participating in activities in order to keep busy, gain or retain skills and maintain a sense of daily purpose. Activities ranged from the informal to the formal; Terry for example used his local gym on a daily basis to give a structure to his day, whilst Sean decided to enrol on a part-time MA course at a local university. Speaking about his course, Sean argued that without it his life would have lacked a purpose: *“I still had the university going for me but I wonder how things would have been if I didn’t have that, I would have had nothing”*. Charitable and voluntary work was also a common activity used to derive a sense of meaning that people felt they had lost through being unemployed. Arguably, these measures can be seen as an attempt to deal with the *functional* losses associated with unemployment.

The second strategy however was a response against the perceived loss of *social acceptance*. In this sense, people employed psychological and ideological strategies as defence mechanisms against the nature of how unemployment made them feel. This could involve reinforcing a positive self-image; for Mahmud, this meant differentiating his own situation from other people: “*I told myself I believe in myself and that I am not one of them. I just said to myself: I am a genuine claimant*”. This phenomenon – in which disadvantaged groups attempt to differentiate themselves from others through the use of a deserving and undeserving dichotomy – is a common finding in sociology (see Shildrick and MacDonald, 2013). Perhaps more uniquely however, two participants demonstrated an approach of ‘self-care’ as a way of dealing with unemployment. Joey had a history of depression and anxiety and tried to focus less on quick re-employment and more on caring for his own mental health: “*I am focusing more and learning more of my own mindfulness: how to come to terms with some of the things in my life and my emotions rather than work*”. Similarly, whilst Michael did not like being unemployed, his foremost concern was his own well-being. Michael had a history of schizophrenia and had experienced a nervous breakdown in the recent past. He eventually did want to return a job but his immediate concern was getting to a “*better place*” before he considered employment.

The findings in this section reinforce existing theories about why unemployment is associated with negative health and well-being effects. Numerous theories (e.g. Fryer, 1985) point to the *agency loss* of unemployment as being crucial in explaining its detrimental impact, whilst

Jahoda (1982) and others have argued that it is the *functional loss* of paid work that accounts for deleterious effects. However, the qualitative findings suggest there is a further important factor that explains the negative impact of unemployment, tied up with the loss of *social position, pride* and *acceptance* and the corresponding prevalence of *stigma*. Feelings of stigma – as well as shame and humiliation – vis-à-vis unemployment appear to stem from three sources: (a) how unemployed people perceive wider society to view them; (b) how unemployment is socially constructed by institutions such as politicians and the media; and (c) how unemployed people contrast their willingness to work with their inability to.

The Experience of ALMPs

The above approach to understanding the impact of unemployment may elucidate the experience of ALMPs. In short, ALMPs that are successful in producing positive well-being effects might be those that reverse the ‘loss mechanisms’ identified with unemployment. This section analyses the experiences of ALMPs within this framework, considering in turn the Work Programme, PSP and the assorted other programmes participants engaged with.

THE WORK PROGRAMME

The Work Programme (WP) is by far the largest UK welfare-to-work programme, with over 1.5 million participants joining the scheme from its launch in June 2011. As Table 8.1 shows, JSA claimants are mandated to the WP after they reach a certain length of unemployment, usually 9 months for

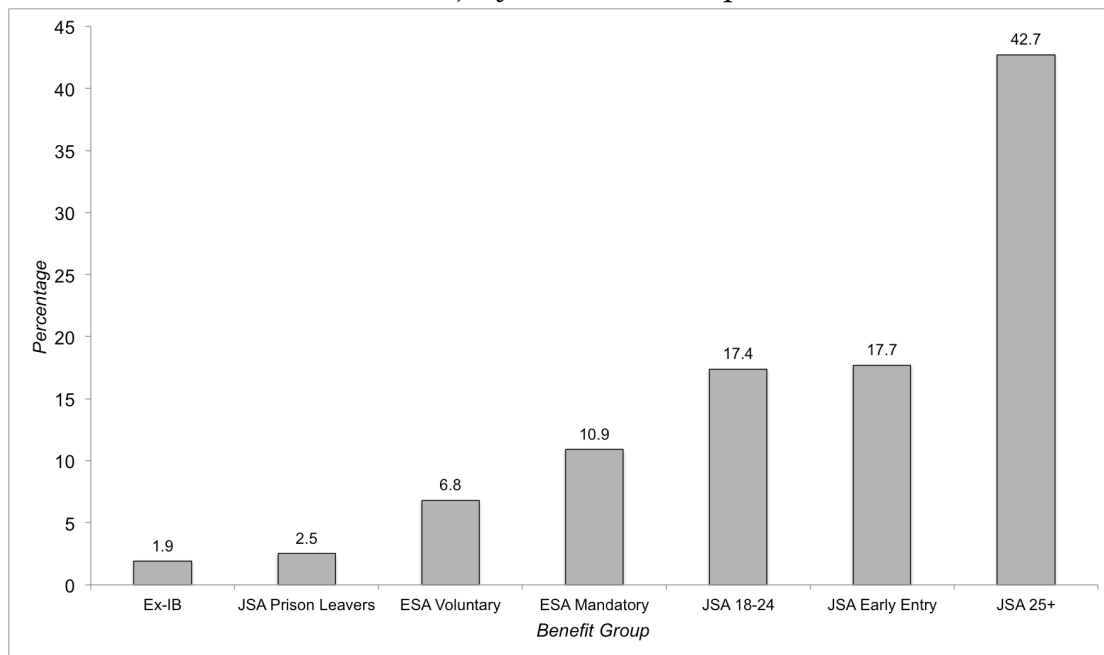
those aged 18-24 and 12 months for those aged 25 or over. WP participants also include those who claim the main UK disability benefit Employment and Support Allowance (ESA). Referral to the WP for ESA claimants is mandatory for those in the ‘work-related activity group’, members of which are deemed to be capable of work in the future. For others who are not deemed to be capable of work, referral is voluntary. Figure 8.2 shows that the largest group of Work Programme participants come from JSA claimants aged over-25 (43 per cent), followed by JSA ‘early entry’ claimants who enter the WP after three months (17.7 per cent) and JSA claimants aged under 25 (17.4 per cent). Voluntary ESA participants account for just 7 per cent of all WP attachments. WP providers (‘primes’) are drawn almost exclusively from the private sector and manage a larger network of subcontractors. Primes and subcontractors have large amounts of freedom to personally design back-to-work services – the ‘black box’ approach – but the bulk of payments are only made in the event that jobs are found and sustained for participants (DWP, 2012).

Table 8.1 Work Programme Participant Groups

Benefit	Participants	Referral point	Conditionality
Jobseeker's Allowance	18-24 year-olds	9 months	Mandatory
	25+ year-olds	12 months	Mandatory
	Participants with "serious" labour market disadvantages	3 months	Mixed
Employment and Support Allowance	Work-Related Activity Group	When deemed "close to being fit to work"	Mandatory
	Others	Flexible	Voluntary

Source: DWP (2012).

Figure 8.2 Total Work Programme Attachments (Up to December 2014) by Benefit Group



Source: DWP Tabulation Tool (accessed 23 April 2015)

Six of the participants were either currently participating on the WP or had done so in the past. Geographically, there was a wide spread of WP participants, including Merseyside (2), Manchester (1), Birmingham (2) and Bristol (1). One of the Birmingham participants – Mahmud – was

interviewed as a PSP participant in Manchester, yet had only recently finished a Work Programme placement in Birmingham. Experiences of the WP were unconditionally disdainful, with attitudes centring upon three main issues.

Firstly, a hypothesized outcome of ALMPs is that they provide people with the functions of paid work - structure to the week, routine, social contact and so on – that may in turn result in positive well-being effects (see Strandh, 2001: 61). WP participants had all experienced these functional aspects of ALMPs. However, although participants showed a strong sense of wanting to ‘do something’, the functional opportunities presented by the WP were not seen as beneficial or constructive. Sean for example was eager to supplement his job search with volunteering or work experience. Having approached this with his WP adviser, he became frustrated when she recommended he work unpaid for a takeaway company. For Sean, it was not just a case of ‘*doing something*’ but ‘*doing something worthwhile*’:

“If I was working for nothing I don’t want to be working, for instance, delivering pizzas for a pizza company for nothing. I wanted something that would build worthwhile experience or providing a service to those in need through a charity. So long as it was worthwhile. I didn’t want to be working for, you know, Dominos delivering pizzas because I didn’t think it would help me in any way. It had to have some worth, whether it be working in a charity, public or private sector if it meant I’d gain more skills.”

Subsequently, whilst Sean sought the opportunity to access some of the functions of regular employment, these functions had to have certain qualities. Namely, they had to have a sense of purpose and contribution and they had to be beneficial to the participant in terms of skills and experience.

Associating ALMP tasks, activities and training with futility could thus be damaging for the morale of participants.

In addition, many WP providers require daily sign-ins from participants, with the aim being to instil a 'routine' similar to that of going to work. Mahmud however found this deeply frustrating, stating "*it did not serve any purpose*". He believed that the daily sign-in was less about helping him find a job and more about going through the motions, stating "*you just knew they were not bothered at all*", adding sarcastically: "*they were just keen to see as many patients as possible*". Similarly, Simon described his regular, mandated meetings with his adviser as "*useless*" and a "*scam*". These accounts thus suggest promoting well-being is not just about providing unemployed people with the functions of paid work, such as routine; rather, what matter is the qualitative nature of these functions. In the case of the WP, participants often saw the prescribed functions as exploitative and futile.

There were two other factors that contributed towards additional negative experiences of the WP that were inter-linked with and centred around how participating on the scheme tended to make people feel worse about being unemployed. In this sense, WP participation increased the unemployment process associated with loss of pride and self-esteem. The first major contributing factor in this regard was how increased feelings of frustration, stigma and shame were linked to sour relations with WP staff and advisers. Negative relationships and interactions with staff had adverse effects on how

participants felt about being unemployed, as well as their well-being and physical health.

Adam was the starkest example of how bad staff relations could intensify the negative effects of unemployment, with a series of WP-related events leaving Adam hospitalized and in receipt of ESA. Suffering from bad hay fever, Adam was exempt from applying for jobs that would exacerbate his condition, such as outdoor work and restaurant jobs. Subsequently, Adam's relationship with his WP provider deteriorated when he felt he was nevertheless pressurized into looking for unsuitable outdoor work given his health condition. Adam described being insulted and upset by his adviser's attitude and, at first, did not think they were being serious: *"the person told me to apply for a job at Turfland (a garden centre). I chuckled. I believed at the same time it was some sort of a joke. It said on the Jobseeker's Agreement that I'm not to work in any of these circumstances; the job at Turfland was like getting a blind person to drive a bus"*. Having refused to apply for the job, Adam was later sanctioned by the Jobcentre. It was at this point – with the stress of benefit sanctions and a broken down relationship with the WP and the Jobcentre – that Adam's health worsened:

"At this stage my health has deteriorated very rapidly, it's really bad at this point. Further stress, I'd lost lots of weight. I couldn't physically keep food down. Every time I tried to eat I was sick. This went on for a five or six week period. I was actually thinking I might die at this point. I ended up in hospital on a drip."

Such was the extent of Adam's ill health that he was moved to ESA whilst he recovered. Adam began to feel better during this time, believing this was mainly because he *"wasn't going to the Jobcentre"*. However, as he recovered

Adam was moved back to JSA which, consequently, gave him high levels of anxiety: “*at that point the thought of going there (the provider) made me feel sick and angry because of what they had put me through...they had tried to make me feel small...I was that scarred*”.

Upon returning to the WP, Adam’s poor relations with his adviser concluded in a serious incident at the provider’s office, during which Adam was accused of lying about his successful appeal against benefit sanctions. For this incident it is worth recalling Adam’s account at length. In his recollection of the incident, Adam described how a range of issues – all to do with how the WP made him *feel* – came to a head. These included Adam’s sense of being *insulted* by the staff, his *distrust* of the adviser, his *frustration* at being denied a sense of control over his support, his *anger* at being sanctioned and *bad memories* of his ill health:

“She called me a liar (about the sanctions appeal). She said I couldn’t go to an interview (for a voluntary placement). She said that I was stupid and she carried on baiting me and I was getting very angry. She was really trying to provoke me. I wasn’t screaming or yelling but I remember just staring through her. I was absolutely livid. I was that angry that the thoughts going through my head would scare me. This person wanted to leave me penniless. All those thoughts about what they (the WP) had done to me – I remember being in hospital on a drip – all this running through my head. I just want to leave the building but she won’t let me. Maybe I shouldn’t have but as I left the building I’ve punched the wall. As I walk out I’ve got blood on my hands. I’m absolutely livid – I’ve been called a liar. They are not human beings: they’re sub-humans. They take enjoyment out of other people’s pain.”

Adam’s story, whilst undoubtedly unique, is a powerful warning of how human relationships in the welfare-to-work system can have a profound effect on participants’ lives and their health and well-being. Both Mahmud and Carol in similar, though less dramatic, terms commented on how they felt

that WP staff patronized them and treated them with disdain. Mahmud stated he found WP staff “*intimidating*” and like “*they were looking down on you*”. In turn, this made him feel worse about unemployment: “*you are going through a bad time anyway, but when people do things like that to you (look down on you) it makes it even worse*”. Carole echoed these sentiments, arguing that the “*staff in the Work Programme are smug as they have a job – they really do not care about people like me*”.

The second contributing factor to an increased sense of stigma and shame was the lack of personalization – or a process of *depersonalization* – involved in the WP. This manifested itself in two main ways. First, WP providers did not have the time or resources to give people lengthy, personalized support. In addition, the incentives built into the programme – of quick, *work-first* re-employment – meant that potentially difficult and complex barriers to work were ignored. Mahmud stated how it was futile for him to ask for support, as advisers were either too busy or uninterested: “*whenever I wanted to query something it would be pointless to go to the centre. They always used to say “sorry, mate, but we are all busy, we will call you back”, but they never bothered*”. Simon had similar experiences of receiving little willing help from his provider: “*now it appears as if they have forgotten all about me, which isn’t a nice feeling. I explained my problem of getting employment and it fell on deaf ears*”. Two participants – Mahmud and Carol – likened the personal experience of the WP to a GP’s surgery: with an emphasis on seeing as many people in as quick a time as possible.

Second, further adverse feelings were generated when participants were sent on courses they deemed unsuitable. Thomas had poor IT skills yet was sent on an IT training day by his WP provider, where the level of skill required went far beyond Thomas' understanding. This experience had a scarring effect on Thomas that he repeatedly brought up during the course of the interview. In the first instance, Thomas felt humiliated by the experience of the training course, stating *"if you go on a course and you are not that computer literate, or have no idea how to use a programme, it can be really frustrating and embarrassing"*. In the second instance, such was the extent of his embarrassment that Thomas' trust in his provider was broken: *"I laid my cards on the table and said I have no IT skills. So they say, here is a computer: go and sit down. How can I trust them after that?"*

To summarize, participants' relations with the WP deteriorated along three axes. First, where WP providers offered participants 'functional opportunities' – such as courses or other activities – they were generally deemed to be, at best, futile and, at worst, exploitative. Second, there was a sense that advisers were failing to treat participants with dignity and respect. This is a parallel finding to that found in Wright and Haux's (2011: 35) study of recipients' experiences of receiving advice, who argued that in the worst circumstances recipients could feel "othered" by advisers who made them feel "different and inferior". Third, many providers did not have the time – or arguably the incentives and inclination – to personalize services for the individual. These failings coalesced with the broader, negative experience of unemployment documented above, exacerbating the functional and status

losses associated with being unemployed. In sum, the combination of these three problems with the WP served to demoralize participants and, arguably, worsen the experience of unemployment.

PERSONAL SUPPORT PROGRAMME (PSP)

Like the Work Programme, PSP is an employment-assistance programme that focuses on providing advice and support as opposed to direct work experience or training. It is funded by an international organization with the resources allocated by the DWP. It is intended to support individuals and families with complex problems, including unemployment but also debt, substance misuse and mental health issues. It has a three-pronged approach, which include having a single lead professional to work with participants, offering an 'integrated' strategy with other agencies and providing personalized support based around the needs of participants. Participation on PSP is completely voluntary. Participants appeared to join the programme through two routes: (a) referral from another agency, such as social workers and (b) self-referral after hearing about the scheme.

In the previous chapter, quantitative analysis of the APS showed that such employment-assistance schemes were generally ineffective in raising the well-being of participants. This was strongly confirmed in the above qualitative analysis of the WP, which showed universally negative experiences and hostile attitudes. Existing theories of ALMPs, developed in Chapter Two, suggest that these programmes are ineffective because they fail to replicate the 'latent functions' of paid work. PSP however, in contrast to the Work Programme, enjoyed high levels of satisfaction amongst the sample,

with numerous participants, such as Michael and Rachel, reporting that PSP had changed their lives for the better. This suggests that employment-assistance programmes can have positive well-being effects and are not necessarily restricted by their lack of ‘functional’ value. Rather, just like the Work Programme largely produced negative experiences by how it made participants *feel*, so PSP engendered positive experiences by the *emotional* responses it invoked. In short, the underlying policy framework of PSP achieved this in three main ways: (1) by the quality of its advisers, who emphasized strong relationships based on respect and dignity; (2) by offering personalized, long-term and flexible support; and (3) by engendering in participants a sense of personal control and autonomy.

Being treated in a kind and respectful way had a profound impact on participants’ relationships with PSP and its advisers. In this context, seemingly small things – such as being offered a hot drink – took on a huge importance for a group of people who felt side-lined and stigmatized in other areas of life. Prior to participating on PSP, Mahmud – also a previous WP participant – had suffered from depression and suicidal feelings. He stated that one of the most positive aspects of PSP was how warmly he was treated by the staff: *“as soon as you walk in the door, it is just the way they greet you with open arms: “come in, do you want a cup of coffee, water, drinks, whatever, just help yourself”. It is just the way they help you that makes you want to come back”*. Joey had also suffered from depression and similarly highlighted the quality of the personal support he received at PSP: *“I feel really warm*

towards them. In terms of the support and empathy I've been getting, it has been really good. They are so patient and friendly”.

A key feature of this support was how participants felt they had a relationship of *mutual* dignity and respect with their advisers. Michael, a man with schizophrenia, talked about being given the time and space by his adviser to work through his problems. He repeatedly referred to working “*with*” his adviser: emphasizing the mutual and cooperative aspect of their relationship. Equally, Mahmud valued how his adviser sought his agreement before putting him forward for jobs: “*I used to get e-mails from them: they always got my consent first before going for a job. It was a two-way thing, whereas the Birmingham thing (the Work Programme) was always a one-way street*”. Thomas also contrasted the two experiences of PSP and the WP: “*Here (at PSP) you are treated with respect, it is far more dignified (than the Work Programme)*”.

In addition to being treated with dignity, participants also valued the personalization inherent to PSP. A key component of personalization involved having an open, direct line of personal support to advisers, with participants being able to call upon PSP staff for help with a range of problems, not just those employment-related. This approach was built on the idea that many barriers to the labour market are not actually related to work but to other aspects of life. Rachel, for example, spoke about how her adviser Lisa was a source of personal support for numerous problems:

“Even if I am just having a bad day, I can ring Lisa. My rent got stopped and she was there helping me and supporting me, it was great. With me being dyslexic, when it comes to filling in forms to get rent, that is what I need. Stuff like that for me is so hard. When the post comes through I find it very hard to read so I will ring Lisa and let Lisa know and she will come. I feel like I will always need Lisa. Even though I am on a good path, I have little things that are trickling up that I have to deal with and I know I can get on the phone (to Lisa)”.

Being able to address *any* problem – not just those to do with finding work – was thus a key feature of PSP. Kalea echoed Rachel when she stated *“if I get a letter from somewhere I do not understand, like I am on benefit and I get a letter, Lisa will help me with it and sort everything out”*. This one-on-one focus of PSP – wherein participants could work through their own, specific needs - was also mentioned by Karim, Joey, Mahmud and Thomas. Personalization was positively compared to the lack of individualized support experienced at other agencies. As Joey stated, *“they (other agencies) were more about numbers, but here they are keen one you are as a person first and who you are and what you have done”*.

As a consequence of this approach, PSP participants also emphasized the individual ways in which they had been helped by the programme. Consequently, the personalized approach of PSP enabled advisers to focus on people’s personal barriers to work, which tied into the third important aspect of the scheme: generating in participants a sense of autonomy and control. PSP enabled people to gain a stronger feeling of control over their lives as they tackled their own individual problems, including financial independence, anger management, housing, learning difficulties, IT skills and mental health.

Empowering people to gain control over their lives links to Dean's (2003) concept of a "life-first" approach to labour market activation, which involves giving people the time, space and support they need to progress into a position in which employment is a realistic option. Dean (2003b: 456) argues that a life-first approach would "prioritise the life needs of the individual over above any obligation to work". Crucially however, within this approach employment is still considered a long-term objective given that, as this thesis demonstrates, work is so often linked to human well-being and identity.

PSP's focus on personalization and empowering people to overcome their own personal barriers to work arguably represented a 'life-first' approach to employment support, compared to the 'work-first' approach of the WP. The primary focus of PSP was to address and overcome a person's particular problems; whilst work was still seen as a long-term objective, other issues were prioritized over the need to find a job. Michael best exemplified this approach, with PSP support designed to move him into a position where paid work was tenable. The focus was thus to assist Michael in controlling parts of his life that acted as barriers to him even *considering* paid work in the first instance. With his advisers, Michael was focused on making progress in other parts of his life, with work a long-term ambition:

"It would be good to go back to work, but I am not thinking about at the moment. That would put stress on me and I would get ill. So I will just continue to work on the progress I am making at the moment."

Other PSP participants also valued a 'life-first' approach, in which they were enabled to take control over other parts of their life and make positive steps

towards work, rather than being *thrust* into any available position. These steps varied on a case-by-case basis, with the flexible approach of PSP able to help people individually. Both Kalea and Joey for example had issues with low confidence and self-esteem, yet their individual circumstances required different approaches. Kalea was encouraged to volunteer at a local Sure Start centre to build up her confidence in a work environment, whilst a counsellor was brought into the provider's office to speak to Joey on a weekly basis. Contrastingly, Mahmud and Thomas both had economic insecurities that were restricting their ability to concentrate on work. For Thomas, his major issue was personal debt, with PSP advisers subsequently arranging for a grant to pay off his arrears. Mahmud meanwhile had housing insecurities that PSP helped him gain control of: *"they (PSP) have helped me with housing issues too. I did not get that help with the Work Programme. They only focus on the work whereas PSP have helped me with my housing with the city council"*.

Nevertheless, despite the positive effects that PSP participation had on well-being, being unemployed, as the previous section demonstrated, continued to be an anxious experience for the participants. This was engendered by constant economic precariousness, as well as on-going feelings of stigma and shame. Thus, whilst PSP was able to reverse some of the negative emotions tied up with unemployment, there was a limit to its capacity in this respect: particularly vis-à-vis the financial hardships of job loss. This contrast – between feelings of improved well-being yet continued adversity – contributes towards an explanation of the previous quantitative

findings. These showed, for example, that ALMP participants were simultaneously likely to be more satisfied with their lives than the openly unemployed yet no less anxious. This was framed as a puzzle in the preceding chapters yet, as the qualitative findings illuminate, the complexity of the experiences of unemployment and of ALMP participation meant that feelings of increased life control and lower social stigma, which might raise life satisfaction or worth for example, were far from mutually exclusive with on-going feelings of deep anxiety.

However in broader terms the three overarching goals of PSP – to treat people with dignity and respect, to consider them as individuals and to empower them to take control of their problems – were strong contributing factors that participants associated with positive feelings towards the programme. Contrastingly, in the case of the WP it was often the *failure* to achieve – or even aim for – these goals that ignited powerful feelings of hostility towards the programme. These outcomes link with the broader finding of this chapter: that major issues with unemployment are feelings of personal shame and stigma. By treating people as individuals and with dignity, advisers at PSP were able to instil a stronger sense of self-worth and self-esteem; in turn, this process was able to counteract – to an extent – the negative emotions associated with unemployment. Thus, alongside providing some of the ‘functions’ of paid work, it is arguable that a fundamentally central feature of any ALMP should be to treat people the ‘right way’: one that offers dignity, respect and personal support as a response to shame and stigma.

OTHER ALMPS

As well as the WP and PSP, the sample included experiences of four other ALMPs. Importantly from a comparative perspective, three of the four ALMPs were all work-oriented rather than employment-assistance programmes. One programme, participated on by Terry, was a vocational programme funded by a city council for young unemployed people that placed individuals into public sector training positions where they could gain new skills and qualifications. The remaining two work-oriented programmes – Mandatory Work Activity (a nationwide ‘workfare’ scheme) and a work experience placement with a council – both fell into the same ALMP type: they were ‘work-first’, work-oriented and mandatory programmes. The above analysis showed that within employment-assistance schemes, the effects of such programmes tended to be dependent on the extent to which schemes were voluntary and person-centred. PSP, which displayed far more of these characteristics than the WP, enjoyed high levels of participant satisfaction, whilst the WP did not. An important question for this section is whether these differences matter as much for work-oriented programmes, where the emphasis is firmly on training, skills and work experience.

The two voluntary programmes in this group – one work-oriented and one employment-assistance scheme (Advance 2 Work) were highly valued by the two participants who undertook them: Terry and Carol. In particular, Terry welcomed the opportunity to gain new skills as a chance to expand employment opportunities. Being offered a training course or placement was viewed as an investment by the state in an individual’s human capital.

Terry, a trained accountant, was placed on a training course to work towards qualifications as a gym instructor. Despite the mismatch with his educational background, Terry embraced the programme as a new opportunity: *“it was good in the sense that it gave me an extra string to my bow, so now I can go and get a job in the fitness industry because now I’m heavily qualified”*.

The other two ALMPs were mandatory, with Sean and Simon referred to them under threat of benefit sanction. In some instances however the compulsory element of an ALMP did not undermine the positive effects a programme could have on well-being. Whilst on the WP, Sean was referred to a work placement with the council targeted at local unemployed people. It involved thirty hours work per week for six weeks, with the participant expected to use the remaining working hours to continue to look for full-time work. The programme was unpaid, compulsory (in that Sean would have been sanctioned had he refused) and with no guarantee of a job or interview at the end.

Despite the seemingly poor conditions attached to the placement, Sean was keen to participate: *“anything unpaid, anything voluntary, just basically anything to give me a purpose to get out of bed in the morning”*. Sean’s desire to be in an environment that mimicked the functions of work – where he had *“purpose”* and a reason to get up each day – thus superseded the mandatory aspects of the programme. This prioritizing of being in a work environment over the compulsion of the placement was reflected in Sean’s overall experience of the programme. Recalling the placement, Sean makes no

reference to conditionality; rather, he emphasizes the psychosocial benefits he derived from returning to a work environment:

“The placement was great. It lifted my spirits. I started to feel valued once more. We were helping the very vulnerable, we were helping kids in social care, providing advice on welfare rights. It helped lift my spirits. It was a great experience and I worked really, really hard. It was no money but part of the problem was just getting rid of the anger, getting the purpose back.”

Contrastingly, Simon was referred by his WP provider to Mandatory Work Activity (MWA). Superficially, MWA was a similar scheme to Sean’s council placement: a thirty-hour per week position over four weeks in a work environment, which was mandatory and had no guarantee of an interview. Both MWA and the placement Sean took part on were essentially unpaid but real work positions, rather than experience programmes, with both fulfilling roles that were ordinarily performed by paid employees. Unlike Sean however, Simon resented being referred to MWA and ultimately left his placement, resulting in benefit sanctions. Simon’s main issues were feelings of coercion by his WP provider, as well as exploitation from the employer, with Simon describing MWA as *“nothing short of fraud”*.

Clearly then, there was a deep difference between the two experiences despite the programmatic similarities of the ALMPs. Both programmes could arguably be framed as exploitative and coercive, as Simon argued, yet Sean’s experience was altogether different. An important aspect of this difference is that Sean had a strong preference to do some form of training or work experience irrespective of whether his provider wanted him to or not. He believed that it would give him valuable *“CV points”*, as well as provide more of a purpose and structure to his daily life. Sean did not mind that his work

placement with the council would be unpaid or that it was technically mandatory, with the prospect of benefit sanctions if he refused; the conditionality of the placement was irrelevant for Sean. What really mattered and shaped Sean's experience of the programme was his own will to do something: "*at this stage it wasn't about money – it was about being back doing something. Purpose, experience*". Further, and perhaps more importantly, Sean viewed the placement as having an inherent positive meaning; he would be working within council social services, which fitted with his career ambition to help others. Simon, alternatively, saw little value in his mandated placement; a fact that was reflected in its overall impact on his morale and well-being.

These findings show that compulsion in ALMPs is not mutually exclusive to positive well-being effects; in other words, mandation might not necessarily affect the well-being potential of an intervention. This was the case for Sean, who was compelled to participate in an ALMP yet found the experience rewarding and uplifting. Yet there are two crucial points in Sean's story. First, after a long spell of unemployment, Sean had a strong desire to gain work experience: both in terms of acquiring new skills and returning to a work-like environment. Second, Sean viewed the placement as having an inherent worth: he saw it as an opportunity, not an obligation. Thus in such cases it is arguable that conditionality has little real function; Sean would have participated on the placement irrespective of its conditionality. What Simon's case shows, contrastingly, is that conditionality – when it involves mandating individuals to ALMPs they see little value in – has the power to

strengthen the negative effects of unemployment. Indeed, although Sean embraced his experience, at an earlier stage during his unemployment spell, Sean had been on the verge of being mandated to a work placement with a fast food company, which ignited feelings of hostility towards his provider. Therefore, where ALMP conditionality exists alongside increases in well-being, it can be argued that conditionality is *disconnected* and *irrelevant* to this positive process. On the other hand, where conditionality exists alongside decreases in well-being, it appears *connected* and *integral* to this alternative, negative process.

Conclusion

To summarize, this chapter's findings contribute to explaining why ALMPs appear to have significant, but often small, effects on well-being, as well as a negligible impact on health and social capital. Thus, although ALMPs may sometimes fulfil the 'functions' of paid work, they rarely offer any added financial rewards to participants, nor might some schemes do much to reduce the sense of shame and stigma associated with unemployment. Indeed, the main UK welfare-to-work scheme the Work Programme appeared to do the opposite: often due to the poor relationships described by participants with staff, its conditional, often punitive structure and the strong reinforcing of paid work norms. Alternatively PSP, despite not replicating the 'functions' of paid work, was able to bring about positive experiences for participants due to the nature of how staff treated people: with dignity and as individuals. Being treated well and with respect appeared to challenge and address the low levels of respect that participants

had experienced in wider society and from key institutions, such as the media and other employment services. Work-oriented programmes could also have positive effects, whether conditional or voluntary, although where conditionality existed alongside negative opinions of a programme it appeared to intensify feelings of anger and exploitation. In this sense, whether there is a purpose of conditionality in the context of ALMPs and well-being is highly dubious.

These findings fit into the broader argument developed in this chapter, with the first section showing that unemployment ‘hurts’ people through three apparent ‘loss mechanisms’. This is the idea that unemployment often involves three particular losses: agency, functional and status. In short, people lose a sense of agency from unemployment through reduced income and associated feelings of disempowerment; they lose out functionally from the non-material benefits that work usually brings; and they lose out socially in terms of increased feelings of stigma, low status and shame. The qualitative evidence presented in this chapter suggested that ALMPs are able to moderate the well-being effects of unemployment when they mitigate some of these loss mechanisms. Thus whilst PSP worked to reduce the status loss mechanism associated with stigma and low self-esteem, the various work-oriented ALMPs focused more on replacing the ‘functional’ losses of being without work, as well as contributing to a sense that participants were genuinely building their skills base.

Whilst the results in this chapter emphasize in particular the importance of the social loss associated with unemployment – and how PSP and the WP’s relative successes and failures were underpinned to the ability to reverse this social loss – this is not to say that the agency and functional losses incurred by unemployment are necessarily less important for ALMPs. A limitation of the analysis in this chapter is that it primarily focused on employment-assistance ALMPs; for such programmes, which do not tend to replace the agency or functional losses of unemployment, any effect on well-being – positive or negative – will thus be overwhelmingly linked to the social dimension and dynamics of job loss. For ALMPs to be successful in ameliorating the negative impact of unemployment, it is thus also likely that the best chance of success lies in reversing all three loss mechanisms associated with unemployment.

CHAPTER NINE

Discussion and Conclusions

As established in Chapter Three, this thesis had four central research objectives. Whilst the first two objectives aimed to establish whether was sufficient evidence to claim robust associations between ALMPs and well-being, health and social capital, the second two objectives were linked to developing arguments about why such associations might exist. The four objectives were:

1. To expand the evidence base on the association between ALMP participation and indicators of well-being, health and social capital.
2. To explore whether such associations are robust using panel and longitudinal methods.
3. To examine whether the impact of ALMPs is dependent on the varying social, economic and environmental characteristics of participants.
4. To explore the meanings that participants attach to ALMPS and the broader experience of unemployment.

The empirical research presented in Chapters Five to Eight provided a wide range of evidence on these four questions. This chapter is subsequently split into three main parts. The first part of this chapter draws together the findings for each of the four main questions and, in drawing upon the literature discussed in Chapter Three, examines the extent to which the findings offer an original contribution. The second part of the chapter then explores how the evidence generated in the thesis relates to and informs existing theories of ALMPs and unemployment. In the final part of the chapter, the methodological, policy and theoretical implications of the thesis are discussed.

The Research Questions

QUESTION 1: EXPANDING THE EVIDENCE BASE ON ALMPS AND WELL-BEING, HEALTH AND SOCIAL CAPITAL

In Chapter Three, the existing evidence base on the well-being, health and social capital effects of ALMPs was outlined and explored. Here, the case was made that there was a need to expand the evidence base due to the limitations in the literature. In principal, there were three key limitations. First, from all of the ALMP studies identified, there was no clear pattern as to whether ALMPs had positive or negative effects on well-being, health and social capital. For example, whilst the majority of well-being studies find positive effects, there are a significant number that do not (e.g. Wulfgramm, 2014; Tisch and Wolff, 2015), whilst the results of studies into health and social capital are even more ambiguous (see Table 3.5). Second, compared to the number of studies that analyse well-being (25), only a small number were identified for both health (7) and social capital (5). Third, the evidence base for the UK is small, comprising only three identified studies (Oddy et al., 1984; Braithwaite and Garcia, 1985; Andersen, 2008) that exclusively examine well-being. Further, two of these studies date from the 1980s and thus cannot be applied to recent ALMPs, whilst Andersen's study analyses the BHPS rather than the newer, purpose-built well-being data available through the APS, which also includes participants of very recent and/or existing ALMPs. Hence, a need was identified for a broad analysis of the three key areas in the UK, especially health and social capital, using the most newly available datasets.

Chapter Five addressed this by presenting the results of a broad analysis of cross-sectional data that included a wide range of variables related to well-being, health and social capital. For the health and well-being analyses, two waves of the Annual Population Survey – which now purposefully collects well-being data – were analysed, whilst the social capital section relied on a pooled Citizenship Survey dataset. In exploring the differences between ALMP participants and unemployed people, a large number of variables were controlled for, whilst all of the models were subjected to a range of sensitivity analyses to check robustness.

There were two main conclusions to take from Chapter Five, both of which tend to support the findings in the literature. The first is that ALMPs had a relatively consistent association with well-being that tended to be higher than the openly unemployed and lower than those in paid work. This confirmed Coutts' (2009 description of ALMPs as a "labour market limbo". Crucially however, Chapter Five also showed that the association between ALMPs and well-being was dependent on the measure used: anxiety, for example, was no different between the unemployed and ALMP groups. The second main conclusion was that, whereas ALMPs were generally robustly associated with higher well-being, there was no evidence (in either the APS or CS) that programmes were linked to higher health or social capital. Such a result might be expected after the evidence review in Chapter Three, which showed – at least compared to the generally positive effects found in well-

being studies – there was far more ambiguity regarding any positive health or social capital impact of ALMPs.⁵⁹

The main original contribution of this chapter was thus twofold. Firstly, it showed that there is – as the literature suggested – a dichotomy in the effects of ALMPs: between higher well-being on the one hand and seemingly no association with better health or social capital. This suggests that there is something particular about ALMPs that makes people evaluate their lives differently and that is, consequently, unrelated to any simultaneous impact on health and social capital. Secondly, this chapter showed that ALMPs appear more effective in changing how they feel about themselves and evaluate their lives rather than in mitigating negative emotions like anxiety. Together, these two main contributions of the chapter suggest one over-arching conclusion: that participants are not necessarily happier because they are healthier or have higher social capital, but because they begin to think of their lives in a different way.

QUESTION 2: A PANEL DATA AND LONGITUDINAL ANALYSIS OF ALMPS

The evidence base presented in Chapter Three explored a range of quantitative studies, numerous of which utilized methods to strengthen claims of causality, often by analysing experimental and panel datasets. These include longitudinal analysis (Strandh, 2001), propensity score

⁵⁹ Arnetz et al. (1987) and Westerlund et al. (2001) find no effect of ALMPs on health, whilst Creed et al. (1998) and Breidahl and Clement (2010) find no effect on social capital. Alternatively, several national-level studies do find positive effects for health (Korpi, 1997; Ayala and Rodriguez, 2013) and social capital (Bonin and Rinne, 2014), thus leaving the impact of ALMPs on these two areas unclear.

matching (Tisch and Wolff, 2015) and randomized control trials (Vuori and Silvonen, 2005). Importantly however, only one of these studies (Andersen, 2008) comes from the UK, meaning that there is a lack of the more rigorous forms of evidence associated with countries such as Finland, Sweden and the US. Additionally, there is little known in the UK about how transitions into and out of ALMPs interact with well-being, including, for example, the presence of any ‘pre-treatment’ difference between participants and non-participants. In the UK, Andersen’s (2008) study is the only one to utilize a panel dataset (the BHPS) and employ methods such as the Dundalk and fixed effects models. However, whilst the study provides strong evidence that ALMPs have positive well-being effects, there are three main ways that Andersen’s analysis was expanded in Chapter Six. First, whereas Andersen looked exclusively at well-being using the GHQ-12 measure, Chapter Six examined a wider range of dependent variables for well-being, health and social capital. Second, and where possible, the analyses in Chapter Six were based on a larger sample, incorporating more recent waves of the BHPS and its successor Understanding Society (UKHLS). This was thus one of the first longitudinal studies of well-being, health and social capital in the UK to incorporate the new UKHLS data. Third, whilst Andersen examined the long-term effects of ALMPs, there was no evidence regarding the well-being differences of ALMP participants and unemployed people prior to programme participation, nor any attempt to explore whether ALMPs benefit both the short- and long-term unemployed. To achieve this, Chapter Six utilized a longitudinal approach to examine the impact of transitions into and out of ALMPs at different stages of unemployment.

Using these more robust methods to improve claims of causal inference, the results in the first part of Chapter Six tended to confirm the cross-sectional findings in Chapter Five. Thus, ALMP participants had higher well-being than openly unemployed people – particularly for eudemonic measures and less so for negative emotions – whilst there was no evidence that ALMPs are associated with better health or social capital outcomes. An important difference to the cross-sectional results was that ALMP participants often had equivalent well-being to those in paid work, a finding at odds with the results in Chapter Five. A reason for this might be the differences in the datasets: the BHPS/UKHLS data includes ALMP participants over a span of almost two decades, whilst the cross-sectional APS includes only those on recent schemes. This suggests that recent changes to ALMPs may have undermined the capacity of programmes to modify the effects of unemployment compared to programmes in the past.

The second part of the chapter examined labour market transitions and offered three key new findings on ALMPs. First, there was no evidence of selection bias with ALMPs; in other words, happier unemployed people were no more likely to enrol on an ALMP than less happy unemployed people. Differences between the ALMP and unemployed groups only emerged once programme participation had been recorded. Second, moving into an ALMP improved the well-being of both the short-term (-1 year) and long-term (+1 year) unemployed, suggesting that interventions could be used effectively throughout a jobless spell. Third, the well-being effects of ALMPs disappear

once participants return to work, as previously unemployed non-participants 'catch up' to those who go on ALMPs. The main original contribution of this chapter was thus twofold. First, in using fixed effects models, it built on and expanded Andersen's previous analysis to further strengthen the argument that ALMPs cause unemployed people to experience well-being gains. Second, an analysis of labour market transitions and well-being showed that these gains are experienced by both short- and long-term unemployed people, yet tend to disappear with re-employment. From a policy perspective, the findings in this chapter support a view of ALMPs as short-term protective measures against the negative effects of job loss.

QUESTION 3: EXAMINING THE DIFFERENTIAL EFFECTS OF ALMPS

In Chapter Three, two further limitations of the ALMP evidence base were discussed. The first of these was how the heterogeneity of ALMPs made it difficult to generalize from one study context to another. For example, whether or not an Australian cognitive behavioural programme improved the well-being of unemployed people (Creed et al., 1999) reveals little, if anything, about the reality of the UK's Work Programme. In Chapter Three, only two studies were identified that directly compared different programme types (Vuori and Vesalainen, 1999; Strandh, 2001). Given that ALMPs are diverse interventions, and that some types (e.g. work-oriented programmes) might be theoretically expected to interact with well-being differently to others (e.g. employment-assistance schemes), there was thus a need – especially in the UK – to directly test and compare the effects of different types of ALMPs. The second limitation is equally important from the perspective of policy

implications: this is that there is little known about the kinds of participants that ALMPs work most effectively for. Numerous studies do attempt to separate out ALMP effects by demographic characteristics, including gender, age and education (Behle, 2005; Røjdalen et al., 2005; Wulfgramm, 2011), yet there is not enough research to reach any firm conclusions, nor is there much analysis of the differential effects of ALMPs in the UK.

Chapter 7 addressed these limitations by exploring different ways in which ALMPs might have such differential effects. The objective was not just to address the research limitations stated above but also to use the evidence on the differential effects of ALMPs to strengthen theories about the processes that underpin ALMP effects. This generated five new findings on the variable effects of interventions. First, work-oriented programmes – that focus on training, skills and work experience – are more strongly associated with higher well-being than employment-assistance schemes like the Work Programme. Second, demographic characteristics are hugely important for the impact of ALMPs: men, younger people and those with fewer qualifications benefit the most. Third, labour market position matters for how ALMPs are experienced; there were no well-being gains for those of a higher occupational status, irrespective of the type of scheme. Fourth, volunteering and other forms of social activity were generally positive for the well-being of unemployed people but failed to match that of ALMPs. This suggests that there might be something unique about ALMPs' ability to ameliorate the effects of unemployment. Finally, ALMP participants with the

lowest levels of pre-programme well-being benefited the most from participation.

The original contribution of Chapter Seven is that is the first UK study to explore how ALMPs perform in a wide range of social, demographic and programmatic settings. In addition, it joins a small number of other studies that directly compare the well-being effects of different programmes (e.g. Strandh, 2001), an important oversight in many studies given the well-acknowledged variation in ALMP types (see Chapter Two). There are broadly two benefits to this kind of approach. The first is policy-related and, if ALMPs are ever considered as (at least in part) well-being interventions, then evidence about whom they work most effectively for will be vital for better policy design. Second, exploring the differential effects of ALMPs in this way also provides a sharper insight into the reasons why programmes have specific effects, enabling a close synthesis with the qualitative findings described below.

QUESTION 4: EXPLORING EXPERIENCES OF ALMPS

A final limitation identified in Chapter Three was linked to the relatively small number of qualitative studies that explore the experience of ALMPs, particularly within the specific contexts of well-being, health and social capital (see Baines and Hardhill, 2008; Joyce et al., 2010; Nichols and Ralston, 2012). This limitation is an important one in explaining the theoretical uncertainties that surround ALMPs, with a wide range of ideas drawn upon within the literature: ranging from Jahoda's ideas about the

latent functions of work to Ezzy's concept of status passage. The theoretical ambiguities in studies of ALMPs are demonstrative of this gap in knowledge; particularly vis-à-vis understanding the positive and negative meanings people attach to ALMPs and the pathways through which programmes are experienced. Quantitative studies, which form the majority of those into ALMPs, have been generally effective in showing *what* happens when someone enrolls on an ALMP, but are less effective – compared to qualitative approaches – in exploring *why* people experience programmes in certain ways. Arguably, it is in understanding these experiences that academics can gain a better understanding of why ALMPs have certain effects, thus elucidating the theoretical uncertainties that exist in the present literature.

To address this limitation, Chapter Eight reported the findings from a small-scale qualitative study into people's experiences of ALMPs, particularly within the context of how programmes altered the day-to-day life of being unemployed. The evidence presented in this chapter suggested that the interplay between ALMPs and well-being is complex and multi-faceted: ALMPs do not affect well-being simply by replicating the 'latent functions' of employment but through a range of processes. Three such processes were identified in Chapter Eight. The first was the importance of *personalization*, with Chapter Eight emphasizing how the extent to which people felt ALMPs were personalized had a profound impact on people's experiences. In the case of the Work Programme, the lack of personalization had a negative effect on how people experienced the scheme, particularly vis-à-vis the lack of resources available to advisers and the inappropriateness of some forms of

support. Alternatively, the PSP programme's prioritization of one-on-one, flexible support was enthusiastically stressed; participants stated it helped them overcome a range of individual barriers whilst imbuing a sense of personal control. The emphasis on personalization subsequently clarifies some of the key quantitative findings in Chapter Seven, particularly that ALMPs are more beneficial for male, younger and less well educated people. One plausible explanation, linked to personalization, is that ALMPs are biased towards meeting the needs of these groups. The dominant 'work-first' approach in the UK, for example, is more appropriate for men, with many women having to balance job-search with caring responsibilities. Interventions that prioritize rapid re-employment above all else are thus unsuited – or 'depersonalized' - to those with duties outside the labour market. Similarly, rudimentary training programmes do little for those with higher degrees or a long history of labour market participation.

The second key process was *programme structure*, with the qualitative findings showing that participants valued the opportunity to engage in a work-like environment, to learn new skills and put existing ones to use. This was true of both ALMPs as well as the various volunteering roles that several participants engaged in. The importance of a work-like environment demonstrated by the qualitative participants was in contrast to the Work Programme, which generally fails to mimic work, and which was overwhelmingly viewed by participants in negative terms. The influence of a programme's structure shown in the qualitative findings is supported by earlier quantitative results, which showed that work-oriented schemes - as

well as volunteering – were associated with higher well-being: demonstrating that when unemployed people find alternative ways of ‘working’ they tended to be happier.

The final key process is the importance of *social status*. In the qualitative findings, this was demonstrated by how some participants on an employment-assistance scheme (PSP) had enriching experiences, whilst a work-oriented one (MWA) could be profoundly damaging. These findings suggested that how ALMPs affected the perceived social status of unemployed people was vital. In general, the negative social status of unemployment could be challenged in numerous ways. One way was through treating participants with dignity and respect, which directly confronted the everyday experiences of social stigma that participants encountered: whether from the media, JCP, politicians or other social interactions. Being treated with respect had important consequences: increasing self-esteem and restoring confidence. Equally, the failure to be treated with respect tended to exacerbate negative self-images. This was especially true of mandatory programmes – such as the Work Programme and MWA – that led to people feeling disempowered, patronized and of low self-worth. ALMPs could thus alter the social category and status that unemployed people felt themselves to be in: for both better and worse.

As with personalization and programme structure, the importance of social status for ALMPs is supported in the quantitative results. Chapters Five and Six, for example, showed that ALMPs increased well-being but not

health or social capital. Arguably, this is because ALMPs primarily change how a person evaluates his/her life, rather than changing objective circumstances such as physical health or social contacts. In addition, Chapter Seven showed that those with the lowest levels of pre-programme well-being benefited the most from participation. The importance of social status suggests that this might be because those who suffer most intensely from job loss benefit the most from the new status derived from ALMPs. Similarly, paid work has a stronger role in framing the social status of men compared to women (Van Der Meer, 2014); thus, moving into a more work-oriented social category has larger benefits for men. Finally, findings from the same chapter showed that active, volunteering unemployed people failed to reach the same level of well-being as ALMP participants. The primacy of social status suggests that although ALMP participants and the 'actively' unemployed have similar lives they occupy distinct social categories that subsequently influence well-being. Importantly, explaining positive ALMP effects by reference to Jahoda's (1982) latent deprivation theory ignores the importance of both personalization and, to an extent, social status. ALMPs may offer some routine and social contact, but if they are ill-fitting to a person's personal needs – or found to be stigmatizing – they may ultimately have negative effects.

Theoretical Understandings of ALMPs and Unemployment and Policy Consequences

The above analysis suggests there are complex and heterogeneous reasons why ALMPs produce both positive and negative effects. These are linked to the extent to which ALMPs are personalized, provide a 'working' environment or positively influence perceptions of self-image and social status. It logically follows, therefore, that there are implications for understanding unemployment itself. In particular, if ALMPs modify unemployment through these kinds of multiple processes, it follows that unemployment hurts individuals in similar, multiple ways. This view has been stressed by Creed and Macintyre (2001) and Delaney et al. (2011), who both contend the negative experiences associated with unemployment are multi-faceted and that, subsequently, no one theory is sufficient for understanding its negative impact on well-being.

The aim for this section of the chapter is to explore how the findings related to ALMPs contribute towards a stronger theoretical understanding about the nature of unemployment. It will argue that the ALMP findings documented above – especially in relation to personalization, programme structure and social status – reveal insights into the broader phenomenon of unemployment itself, in which ALMPs reside. Here, an argument introduced in the previous chapter will be expanded: that of unemployment as a process of loss.

Based upon a synthesis of the quantitative and qualitative findings, Chapter Eight explored the idea of unemployment as an experience that involves three particular 'losses': agency, functional and status. Agency loss refers to the effects of low income that almost inevitably follows unemployment. Importantly, agency loss has two consequences: a direct effect on living standards and an indirect effect on a person's sense of powerlessness that low income brings about. Functional loss implies the absence of the practical aspects of paid work that are linked to well-being. These include socializing, contributing to a team and weekly routine. Finally, status loss denotes the transition that unemployment brings about: into a new, stigmatized social category compared to paid work.

The findings in this thesis, particularly those in Chapter Eight, demonstrated that ALMPs were more effective when they programmes were able to reverse some of these losses. Thus, three of the observed positive functions of ALMPs are aligned to the three types of loss associated with unemployment. Personalization can reverse agency losses linked to feelings of powerlessness; a work-like programme structure can reverse functional losses; and ALMPs that promote a sense of self-worth can modify status loss. Each of these relationships is now explored in turn, with three corresponding policy conclusions offered.

ALMPS AND AGENCY LOSS

As described above, agency loss has two components: loss of income and loss of power, autonomy and control over a life situation. Fryer (1986) is most

associated with this perspective, arguing that unemployment has negative implications because it leads to a restriction of agency. Almost all of the participants in the qualitative research referred to the economic hardship of unemployment, suggesting agency loss is a powerful determinant of people's experiences. Subsequently, ALMPs can raise well-being when programmes modify this lost sense of agency. This can be achieved in two ways: improving the financial situation of participants and promoting a stronger sense of individual control and autonomy. Agency loss is why personalization emerged as an important aspect of ALMPs: personal support gave participants a stronger sense of control over their lives, enabling people to focus on and confront life barriers.

Policy implications

To reverse agency loss and strengthen feelings of empowerment, ALMPs could be reformed in two ways. First, programme participation could involve higher benefit payments than standard entitlements. This kind of approach exists, for example, in Germany, where the Hartz reforms of the early 2000s introduced the widely labelled 'One-Euro-Jobs' programme. Participants on this ALMP, who undertake skills training and work viewed as 'outside' the ordinary labour market, receive an extra €1-2 per hour on top of existing benefits for a period of 3-9 months (Wulfgramm, 2011; Tisch and Wolff, 2015). If a similar mechanism was replicated in UK programmes, with participants receiving £2 extra in benefits per hour of a scheme, unemployed people would receive an additional £60 per week in unemployment benefits for a 30-hour scheme. This would almost double the existing maximum JSA entitlement of £72.40, arguably giving people a high enough increase to strengthen feelings

of direct economic control. In addition, several other reforms could also strengthen these direct feelings of economic control. One such option is to include the offer of extra economic support to unemployed people at risk of a “life-cycle squeeze” (Rowley and Feather, 1987), for whom job loss a relatively higher risk given particular life circumstances, such as having young children. Rowley and Feather find that these ‘squeezed’ groups experience higher psychological distress than others, suggesting the need for more targeted support. A further option is revive the contributory principle, or encourage alternative income protection schemes, to provide unemployment benefits that are more closely linked to previous incomes. As Bell and Gaffney (2012) note, the tightening of eligibility requirements for contributions-based benefits, as well as the long-term decline in their value, means many people with longer work histories and relatively high standards of living feel that the benefits system fails to provide adequately for them when they need it. Despite this general failing however, there is evidence that affluent families fail to prepare in an extensive way for the possibility of unemployment (Clasen and Koslowski, 2013). This dual failing – of a weak contributory system and lack of planning on behalf of those for whom present entitlements necessitate a huge drop in living standards – could explain the larger negative drop in well-being amongst the more affluent unemployed (Andersen, 2009).

Secondly however, most UK programmes do not offer added income to participants. This might explain the relatively small well-being effects of programmes, which might always be limited whilst social security benefits

leave the vast majority of recipients in poverty. However, in the absence of higher benefits, ALMPs can strengthen agency in non-economic ways. One way, advocated by Creed and Macintyre (2001), is to support unemployed people with financial management skills, such as weekly budgeting and smarter purchasing advice. This kind of support was highly valued by the PSP participants in Chapter Eight, who valued the financial support available in areas such as debt management, housing, benefit claims and food budgeting. A second way of strengthening agency is through the personalization of the ALMP process. Borghi and Van Berkel (2007) highlight the Dutch system of ‘individual reintegration agreements’ (IROs) as an example of best practice in personalized activation provision. In the Netherlands, individuals with IROs are in charge of developing their own back-to-work plans and have the freedom to choose a provider. Borghi and Van Berkel argue that IROs can act as an empowering process that gives people ‘exit, choice and voice’ from a service. The UK system however often fails in this regard, which emphasizes “individualizing obligations and responsibilities rather than putting citizens in charge of service provision processes” (Borghi and Van Berkel, 2007: 422). If ALMPs did more to promote a participative form of provision, there is the clear potential to increase a sense of life control.

FUNCTIONAL AND STATUS LOSS: REVISING JAHODA

The importance of the functional aspects of paid work emerged in the research findings summarized above. Quantitative analysis showed that work-oriented ALMPs were more effective than other types, whilst

participants in the qualitative research described a common frustration with the life disruptions unemployment brought about, often framed in terms of daily monotonies and social isolation. ALMPs can therefore have positive effects for people by providing a more structured, active week. This demonstrates the importance of the functional loss of unemployment. Paid work provides, as Jahoda (1982) described, “categories of experience” that are conducive to positive functioning; unemployment commonly results in the loss of these experiences and, consequently, a loss of well-being.

As outlined in Chapter Eight, Jahoda described five categories of experience associated with paid work: (1) time structure; (2) social contact; (3) regular activity; (4) collective endeavour; and (5) social status and identity. However, the findings of this thesis reveal a fundamental division in Jahoda’s categories of experience. The first side of this division incorporates functions (1) to (4) and refers to the straightforwardly functional features of work: having something to do each day (1), meeting people (2), using skills and completing tasks (3) and being part of a team (4). These four, functional effects of employment are often simultaneously components of many forms of ‘work’: both paid and unpaid. For example, voluntary work may similarly offer people access to these four functions. Thus, most types of work – in the broader sense of the concept – often involve the provision of these ‘categories of experience’.

However, the second side of the division – which incorporates Jahoda’s fifth function, social status – is less obviously a fixed characteristic of all

forms of work. Rather, high social status is a more uniquely attributable characteristic of *paid* work rather than other forms of work, such as volunteering or caring. Thus, whilst both employment and volunteering may provide people with the opportunity for social contact, they are less equal in terms of accessing social status. This makes social status a quite different by-product of paid work compared to the four functional features described above. Whilst weekly routine, for example, is an essential feature of most forms of work, work-related social status is more exclusively derived from waged labour. Social status is thus a more exclusive, and contentious, consequence of how employment is socially constructed in modern societies.

This means that it is essential to distinguish between the fixed and direct functional aspects of employment and the socially constructed, indirect aspects that provide workers with access to social status. Andersen (2009) describes this as the difference between the “meaning the individual ascribes to being excluded (i.e. status loss)...(and) the direct consequences of that exclusion (i.e. functional loss)”. This fundamental division in Jahoda’s theory finds empirical support from Creed and Macintyre (2001), who found that from Jahoda’s five latent functions, status was the most important predictor of well-being. A similar finding was observed in Nichols and Ralston’s (2012) qualitative study, which showed that status was the most important outcome valued by unemployed people involved in volunteering. In this thesis, this division has subsequently been described as the difference between the functional losses and status losses associated with unemployment. Ezzy’s (1993) work on unemployment is the closest attempt to critique Jahoda in

this way. For Ezzy, the social status implications of unemployment should be separated from the functional implications for everyday life. Unemployment is thus described by Ezzy (1993) as a ‘status passage’, in which people move from a valued status (‘worker’) to a largely unvalued one (‘unemployed’). This is a distinction then between *what people do* (functions) and *how people feel* (status).

FUNCTIONAL LOSS

Functional loss thus refers to the everyday changes to people’s lives that unemployment brings about: how the qualitative structure of daily life changes without paid work. This helps explain why work-oriented ALMPs – which more closely mimic the everyday roles of paid work – are seemingly more effective than employment-assistance schemes, which do not share this characteristic. Equally, the qualitative findings confirmed that a lack of daily structure, activity and interaction were important for participants in framing the negative experience of unemployment. The importance of functions helps explain the modest well-being effects of existing ALMPs, dominated by the employment-assistance Work Programme, presented in Chapter Five. As Fothergill (2013: 63) observes, the Work Programme is dominated by a “focus on CV preparation, job search, job applications and interview training”, with a “failure of Work Programme providers to venture beyond” these kinds of assistance services.

Policy implications

The UK ALMP system thus needs to do more to enable unemployed people to cope with the functional loss of unemployment more effectively. The

importance of functions is supported by evidence that many unemployed people do struggle to use their time in a structured way (Wanberg and Griffiths, 1997; Jackson, 1999) and that this is, in turn, linked to poor health outcomes (Rowley and Feather, 1987; Feather and Bond, 1983; Ullah, 1990; Evans and Haworth, 1991).

Drawing upon Fothergill's (2013) critique, there is a strong argument that the orientation of UK ALMPs – towards work-first provision – biases existing services towards 'quick-fix' approaches to re-employment that are not conducive to replacing the functional aspects of work. These include, as described above, the dominance of services such as CV and interview preparation. Alternatively, a human capital approach – that draws upon services such as vocational training, education and work experience – is less common in the UK. If ALMPs are to become more successful in reversing the functional losses of unemployment, it is arguable that services will need to incorporate, at the least, a more balanced mix between work-first and human capital provision.

However, with the two main political parties in the UK committed to the preservation of the Work Programme, the overall orientation of the UK ALMP system is unlikely to change dramatically in the short-term. Consequently, smaller and more incremental measures could be introduced to deal with the functional losses of unemployment through ALMPs. One plausible change is to make it easier for unemployed people to engage in voluntary work whilst continuing to seek paid employment. At present, JSA

recipients must inform advisers of any voluntary work they undertake and provide all information and receipts related to reimbursed expenses. Further, DWP guidelines state that if advisers deem volunteering to be ‘unpaid work’ – interpreted as “work someone would normally be paid to do” (DWP, 2010) – then claimants may see benefits and tax credits affected. Such a system may ultimately discourage volunteering, especially given high profile news stories of volunteers who have been sanctioned by the JCP (Reilly, 2012). A concrete understanding between claimants and the JCP that benefits would be unaffected by volunteering or work experience, accompanied by support in finding placements, would be a small but significant step towards helping unemployed people find more structure, routine and fulfilment during unemployment.

STATUS LOSS

Finally, in addition to changing the power people have (agency loss) and what people do (functional loss), ALMPs should change how people feel about being unemployed (status loss). Despite important empirical contributions, this kind of approach is sometimes absent from studies of unemployment in disciplines such as economics and psychology, where there is absence of social context in explaining the deleterious effects of unemployment. The key nature of this argument is that paid work is not only important for income or the daily functions it provides, but also vital to how people feel about their place in society. Agency and functional losses are vital for understanding unemployment but do not explain the humiliation and shame that are so often central to the experience of unemployment and what it means to those affected. According to Ezzy (1993: 48), unemployment is this type of

sociological phenomenon: part of a “movement into a different part of the social structure, (involving) a loss of privilege, influence and power and a changed identity and sense of self”.

The importance of social status in explaining unemployment has been shown empirically in numerous studies. Winkelmann (2009) found that unemployed people with higher social capital were not better protected as one might expect if functional losses were the overriding determinant of well-being. An important explanation is that the functional losses that social capital might bring about are crowded out by the stigmatizing status effects of job loss. In a more explicit demonstration of the centrality of status, Hetschko et al. (2014) found that the well-being of the long-term unemployed increased substantially after they entered retirement despite controlling for other changes in life circumstances. The observed change in well-being could therefore be linked to the change in social category: people were no longer subjected to the identity of ‘the unemployed’. Varying results when different measures of well-being are compared for unemployed people also highlight the importance of status. For example, Dolan and Metcalfe (2012) report on studies that show whilst the life satisfaction of unemployed people is considerably lower than those in work, the Day Reconstruction Method (which records feelings throughout the day) shows much smaller differences. These results suggest that unemployment is less about emotional experiences on a daily basis and more about an overall negative evaluation of life based on an understanding of social position.

Policy implications

Modifying the status loss of unemployment through ALMPs is arguably more complex than modifying the agency and functional losses. As Walker et al. (2013: 216) argue, social shame is a fundamentally structural phenomenon and shaped by social expectations, norms and ideals. The meanings that people attach to unemployment are thus deeply socially structured: engendered and pervading through a range of channels, such as the media, dominant political ideologies and social welfare policies. Further, these channels are inter-connected and reinforcing: as political parties implement social security reforms, they promote ideological constructs of ‘the unemployed’ to justify policy change that are, in turn, propagated by an often sympathetic media.

To modify the status loss of unemployment, two strategies are plausible. First, participants could be bestowed with a sense that they are entering a new social position: distinct to, or least diluted from, ‘unemployment’. Although speculative, this process might be linked to the experience of people on work-oriented ALMPs. Engaging in a training programme, for example, might propel people into a less stigmatizing social position compared to unemployment. Ezzy (1993) describes this as an ‘integrative passage’: a process that occurs when people move from a negative to more positive social role. Thus, just as human capital programmes may better preserve the functional benefits of paid work, they may equally enable participants to combat the status loss of unemployment more effectively.

Second, more personalized and supportive ALMPs, as Chapter Eight showed, can enable people to reconceptualise and rethink what unemployment means. This was a key part of the PSP programme, where advisers adopted an explicit objective to treat people with dignity and respect based on a cooperative and reciprocal relationship. Participants who had hitherto experienced intense feelings of stigma embraced this approach. During and after the PSP programme however, they began to see themselves as people worthy of empathy and support. With this kind of provision, ALMPs can help people reconstruct and redefine the meanings they associated with 'being unemployed' and, as Robertson (2013: 257) argues, "offer challenges to the negative thinking" associated with unemployment. Methods to achieve this include providing more choice with job applications and training opportunities, protection of the right to consent for participants, a tempering of the expansion of conditionality in the benefits system and, finally, the integration of psychosocial support in the early stages of unemployment. The findings in this thesis show that, at present, many ALMPs perform the opposite function. Baumberg et al. (2012: 81) summarize this dual effect: "if claimants are treated with respect then institutional stigma will be low; if they are treated with hostility and an implication that they are undeserving until proved otherwise, then stigma will be high".

This section of the chapter has linked the main ALMP findings of the thesis to broader theories of unemployment and well-being. In Chapter Three, the most widely acknowledged and utilized theories of unemployment were summarized. These included Jahoda's theory of the latent functions of

employment, Fryer's ideas about human agency and Ezzy's concept of unemployment as status passage. Often, these separate theories of unemployment are treated as opposing accounts of why unemployment hurts. However, in drawing upon the findings in this thesis, this chapter has argued that these theories can be unified into one, broader theory of unemployment as a process of loss. Consequently, Fryer's critique was conceptualized as agency loss; Jahoda's focus on the positive by-products of paid work was described as functional loss; and Ezzy's contribution was conceptualized as status loss. Individuals thus lose out from unemployment in three key ways: what they have, what they do and how they feel about themselves.

The idea of unemployment as a process of loss was then applied to ALMPs, where three particular aspects of interventions had earlier been identified: personalization, programme structure and positive self-esteem. These three observations were then linked to the broader argument of unemployment as loss. Personalized interventions can give people a stronger sense of power and autonomy (agency); work-focused ALMPs replicate the beneficial functions of work (functional); and cooperative, empathetic relationships between advisers and participants promote a more positive self-image (status). The overriding conclusion from this argument is that ALMPs can reverse the well-being costs of unemployment when they compensate participants in these three areas.

Final Thoughts and Remaining Questions

The final section of this chapter will reflect on four wider issues and questions that the research has raised for the study of unemployment and ALMPs. These issues stem from limitations in the study. In this section, four are identified and expanded upon: implications for future research; social and economic tensions in policy-making; the implications of well-being policy; and, finally, fundamental questions related to the nature and role of paid work.

IMPLICATIONS FOR FUTURE RESEARCH

The difficulty of undertaking quantitative research into ALMP participants has been evident in this thesis. Although numerous datasets permit the analysis of those on employment programmes, the primary limitation is of small-sample sizes. ALMPs are targeted at the long-term unemployed and, as such, only a minority of unemployed people will ever be participants. Further, as the UK has experienced increasing but still relatively low long-term unemployment throughout the recent financial crises, ALMP numbers have grown in surveys like the APS but continued to be low.

Small sample size has led to four specific empirical problems. First, many analyses rely on multiple regressions using cross-sectional datasets such as the APS. Whilst the APS afforded a relatively high number of cases due its large overall sample size, enabling the more detailed analysed in Chapter Seven, the reliance on cross-sectional data produces well-known limitations related to causality. Particularly, it is largely unknowable

whether systematic differences exist between ALMP participants and unemployed people that bias the former group towards higher well-being. Second, where better data are available, as in the BHPS, sample sizes are extremely low; whilst this enables methods that can control for issues such as selection bias, it makes more in-depth investigations untenable. Third, aside from the APS, there are no UK datasets that specify what type of programme a person is on. As both theory and the APS results suggested, programme type is vital for explaining ALMP effects. Fourth, and relatedly, the qualitative findings showed that programme provider, as well as type, influences participants' experiences. There is consequently a compelling case that new data are needed to fully understand the impact of ALMPs. Strategies to achieve this could include the specific targeting of ALMP schemes, with participants asked to complete the UKHLS survey to produce comparable data to the main UKHLS dataset. In addition, observational studies could be complemented with experimental ones, using methods such as RCTs. As Coutts (2009) observes, there have been contradictory findings on the health effects of social policy when observational and experimental evidence is compared. It is thus important to build a broader evidence base on ALMPs using a wider variety of designs. In this sense, RCTs from the US and Finland (see Chapter Three) could serve as models for future UK research. The recent launch of the What Works Centre for Wellbeing (Cabinet Office, 2014) may provide researchers with a valuable route towards achieving this.

A second limitation of the quantitative research concerns the selection of the key dependent variables. Social capital variables, for example, had low

comparability with previous studies of ALMPs; it would thus be useful for future waves of the APS to expand the variables that are collected into a wider range of topics. In addition, the health analyses were exclusively comprised of subjective measures of health. The use of objective health indicators – such as ‘biomarkers’ – is largely absent from ALMP studies (although there are some exceptions, such as Westerlund et al., 2004). Finally, the problematic nature of measuring of subjective well-being constitutes an expanding literature (see Kroll and Delhey, 2013). Different measures of well-being for example produce diverging results. Thus, whilst the GHQ-12 measure showed ALMPs participants had much higher well-being than the openly unemployed, there were only modest differences in evaluative, eudemonic and positive affect measures in the APS analyses. This evidence supports the broader finding that well-being is a complex, sometimes seemingly contradictory phenomenon: how we judge our life might be distinct to how we feel each day. Better measures of well-being could be used to explore these differences, with Kahneman and Deaton (2010) proposing the Cantril ladder of life for ‘evaluation’ and daily emotions for ‘affect’. Relatedly, the relatively small well-being effects of ALMPs support Ed Diener’s (1984: 561) observation that “investigators have noted with dismay the small proportion of variance that can be accounted for with demographic variables”. As with many determinants of well-being, it is consequently ambiguous that the statistically significant impact of ALMPs is simultaneously a meaningful one.

Finally, there is a parallel need for more qualitative research into the health and well-being effects of ALMPs. The qualitative findings presented in this thesis overwhelmingly involved participants from employment-assistance interventions. The experience of such therapeutic-assistive programmes like PSP however might be very different compared to more vocational, skills-based ones. Future qualitative research into ALMPs should prioritize the attainment of a sample that covers a wider variation of ALMP types.

WELL-BEING AND ECONOMIC TENSIONS IN POLICY-MAKING

This study has explored ALMPs from an explicitly social perspective; yet, there is the clear potential for deep tensions between these social objectives of ALMPs and their corresponding economic ones. This is laid bare in OECD evaluations of ALMPs (Martin and Grubb, 2001; OECD, 2007) that describe the consensus amongst labour economists towards ‘work-first’ activation measures and benefit conditionality as the most effective in terms of re-employment. Contrastingly, the economic evidence on job creation, training and vocational programmes is, at best, mixed: helping to explain one reason why work-first measures have been so heavily advocated by international organizations and certain national governments.

The economic consensus on the superiority of work-first is in contrast to the evidence presented here, which shows that non-work-first measures – such as training and therapeutic voluntary support – are the best routes to promoting the well-being of unemployed people. Hence, a fundamental

tension is raised: the collision between the economic and social implications of policy. In recent years, advances have been in the measurement of well-being and there is an undoubtedly growing interest in the concept emerging from central government. Yet the notion that the well-being implications of policy will transcend the economic ones remains improbable in the present political climate. In the run up to the 2015 general election, the successful Conservative campaign asked –despite the Coalition’s interest in well-being policy – to be judged by the party’s economic record: GDP growth, unemployment and reducing the budget deficit. The evidence on well-being challenges the hegemony of economic growth: suggesting that rising incomes are less important than often assumed and that people quickly adapt to improved living standards. As O’Donnell et al. (2014) argue, well-being research supports an economic structure that prioritizes stability over growth, job security over flexibility and income equality over inequality. Whilst there are groups that advocate for this kind of change, the long-term objective of reorienting economic priorities will need to be balanced by short-term measures aimed at making incremental but real changes for well-being outcomes.

THE ROLE OF WELL-BEING IN SOCIAL POLICY

The centrality of well-being to this thesis raises a further question for future research: related to the consequences, ethics and implications of applying well-being evidence to social policy design. Are the seemingly positive well-being effects of ALMPs, for example, enough to justify the intervention? Despite Layard’s (2005: 5) assertion that “the best public policy is that which

produces the greatest happiness”, it is clear that expanding social policies *because* of well-being effects is controversial: provoking a profound, even paradigmatic, shift in social policy (Davies, 2012; Tomlinson and Kelly, 2013). Venkatapuram (2013: 6) states “the insights, limitations and controversies about subjective well-being come into clearer relief in the context of real-world public policy applications”. In relation to ALMPs, three controversies emerge: the charge of paternalism; the disregard for economic inequalities; and disagreements about what constitutes a ‘good life’.

The charge of ‘new paternalism’ is directed from an essentially liberal perspective: based around the idea that it is undesirable for the state to guide individuals towards specific ends in the name of promoting other people’s happiness. This viewpoint is best expressed by Johns and Ormerod (2007: 73) who contend that the “logical conclusion from much happiness research – that individuals’ own judgements about what is good for them can be overridden by experts wielding clipboards and regression models – is illiberal, undemocratic and unattractively paternalistic”. This point is similarly stressed by Jones et al. (2013), who describe the well-being agenda as an attempt by the state to “recentre” power towards government, thus ignoring human will and encouraging passivity: “managing the soul”. In this context, using ALMPs to promote well-being can be seen as an attempt to remove unemployed people’s capacities to shape their own lives, largely in favour of policy-makers who ‘know what is best’ for people unable to live up to the “well-being ideal” (Edwards and Imrie, 2008: 340).

The second well-being controversy follows this first critique: that by strengthening the paternalistic power of the government to shape people's well-being, the policy agenda will inevitably come to bear on poorer, disadvantaged sections of society: individuals who tend to have lower well-being than more advantaged social groups. Consequently, there is a social class bias to the well-being agenda and a potential for it to be used to justify inadequate, controlling and punitive policy interventions

This argument is centred on related points. First, focusing on well-being justifies a shift in resources: away from well-funded public services and redistributive measures towards low-cost policies that affect people's well-being (Tomlinson and Kelly, 2013). Accordingly, the well-being agenda downplays structural, economic inequalities in favour of well-being 'nudges' (Sunstein and Thaler, 2008): ALMPs for example take precedence over unemployment benefits. Well-being research arguably justifies this shift; 'adaptation' – that people adjust to higher standards of living (Diener et al., 1999) – works against policies that focus primarily on improving material circumstances. Social scientists have expressed concern that these findings are used to justify inaction on poverty: raising the spectre of the so-called 'happy poor' (Kroll and Delhey, 2012). In deprioritizing income and material welfare, well-being looks instead to feelings, relationships and mental health: income redistribution thus loses its political legitimacy (Edwards and Imrie, 2008). Second, there is the concurrent danger that the well-being agenda will lead to a two-tier social policy, where some groups are left alone whilst others, such as unemployed people, are subjected to new forms of social control.

Jones et al. (2013: 175) portray this as a division between the “self-governing” and those “who do not possess the ability to make correct decisions”. In sum, well-being policy can hit the disadvantaged in two ways: by reducing and delegitimizing material forms of support and by introducing new forms of social control.

Finally, there is the broader question of whether well-being can capture all that matters for a worthwhile life. This is an old philosophical question and whilst modern proponents such as Layard consider well-being paramount, older philosophers had their doubts. Mill, for example, argued that there were higher and lower forms of pleasure, whilst Kant believed that principles and motives were more important than outcomes. Nussbaum (2012) draws upon these traditions in her powerful critique of well-being, arguing that there is value to the most negative emotions: fear fuels courage and anger prompts justice. This perspective follows Nussbaum and Sen’s (see Sen, 1985) capability approach, which states that to live a flourishing life humans need goods that go beyond both the material world and happiness: goods such as freedom, life chances and human rights. If not, humans should be, as Nozick (1974) observed, consigned to pleasure machines. That most people would reject the pleasure machine demonstrates the value of non-pleasurable emotions and principles, such as justice, autonomy, solidarity and equality. Nussbaum’s critique has important implications for ALMPs. Well-being advocates need to consider what matters more: whether participants’ subjective happiness is increased or, alternatively, whether principles such as autonomy are compromised.

THE ROLE OF WORK

The final issue to emerge from this thesis regards the broader role and meaning of work in society. Many theoretical and empirical accounts of unemployment, referenced throughout this thesis, make the assumption that paid work is an inevitable cause of high well-being. If this argument is accepted, then there are two policy proposals that logically follow. The first is a reformed system of ALMPs that – as argued above – enable participants to overcome some of the losses associated with unemployment. The second, more radical, proposal is to drastically reduce – or even abolish – long-term unemployment through the provision of a job guarantee. Oesch and Lipps (2013) show that unemployment fails to ease the longer it goes on; thus, moving the long-term unemployed into work should be a high policy priority. In the UK, a job guarantee has been advocated by influential economists (Layard, 2004; Gregg and Layard, 2009), whose proposals led to the now abolished job guarantee for young people, the Future Jobs Fund.

Whilst the association between work and well-being is remarkably robust and consistent across societies, there is a powerful riposte to the above line of reasoning and its subsequent policy proposals. This is that the observed determinants of well-being – such as work – might reflect prevailing social norms and orthodoxies that impart ‘desirable’ ways of behaving. In short, the determinants of well-being are not fixed but constructed over time. Work is thus not an inherently ‘good’ practice for well-being; rather, the social meanings that societies attach to work result in its positive effects. Edwards and Imrie (2008: 338) develop this point, arguing that well-being corresponds

with “idealized forms of behaviour or ways of being”, which is similar to Nussbaum’s (2012: 11) critique that forms of happiness might be “quite negative, inasmuch as they are based on false beliefs about value”. The notion that happiness is socially conditioned is indeed central to Sen’s long-standing critique of subjective well-being:

Consider a very deprived person who is poor, exploited, overworked and ill but who has been made satisfied with his lot by social conditioning (through, say, religion, political propaganda or cultural pressure). Can we possibly believe he is doing well just because he is happy and satisfied? (Sen, 1991: quoted in Kroll and Delhey, 2013: 21).

Rojas and Veenhoven (2013: 418) describe this as the cognitive theory of happiness, which states “happiness is the product of human thinking and as such has roots in social constructions”. The significance of these social constructions for happiness is also hypothesized by Diener (1984), who posits that certain types of personalities – such as extroversion – are associated with higher well-being because of “particular cultural milieus” which are biased towards them. The importance of social constructions is evidenced by the increasing awareness of the primacy of social comparisons for well-being, in which human happiness is linked to evaluations people make of their own lives compared to others’ (Diener et al., 1999). These evaluations are made using a set of standards; yet standards change over time and between societies. As the notion of what is valuable evolves, social standards also change and the determinants of happiness can change too.

In relation to the labour market, a key question is whether the well-being derived from work is a socially constructed ‘pleasure’ rooted in feelings of comparatively high status and superiority at the expense of unemployed

people. Cole (2007) argues this view, critiquing the idea that paid work is inherently good for happiness. Rather, Cole argues that work has positive effects because of the way it is constructed in capitalist societies. There is, he argues (1145), a pivotal belief that “paid work is in some way central to human experience”. It is thus this belief – reinforced by the social, cultural and ideological tradition of valuing paid work as form of positive identity – that accounts for its association with well-being. On the other side of the coin, it is the denigration and revulsion felt towards unemployment that makes the unemployed feel so miserable.

Employment-related well-being can thus be argued as a consequence of the centrality of paid work to definitions and constructions of the self and of the dominant relationship between social status and employment. Ideologically, these forces are maintained through the ideal of the work ethic: the belief that the moral way to behave is to work. UK politicians have promulgated this ideology aggressively in recent years, with frequent references to ‘hardworking people, ‘strivers’ and ‘alarm clock Britons’. The explicit message from these references is that paid work is the right way to live one’s life. Correspondingly, unemployment is a failure to meet this ideal and, thus, to act morally. Janlert (1997: 79) argues that unemployment is viewed as a “deviation from the norm, a defect in character, a type of disease”. Whilst politicians laud so-called ‘Stakhanovite’ virtues, a wide range of ‘poverty porn’ television programmes have recently been broadcast in the UK, inviting viewers to express disgust at the lives of those without work and on benefits.

The power of the work ethic has been demonstrated empirically in studies that compare groups who are theoretically exposed to varying levels of the ideal. Strandh et al. (2013) for example found that unemployment affected Swedish women more than Irish women. The reason, they argue, is that the personal identity of Irish women is only weakly tied to a psychological need for work. Swedish women, on the other hand, are more integrated into the labour market; consequently, the loss of work affects their well-being more intensely. A comparable finding was reported by Eichhorn (2013), whose cross-national study found that unemployment had a large effect in countries where work had a higher normative value (see also Fleche et al., 2011). Collectively, these studies show that the gravitational pull of the work ethic varies, with observable effects on the impact of unemployment on well-being.

The social fall-out from unemployment can thus be seen as a socially forged, historically contingent phenomenon tied up with modern capitalism. Scholars such as Peacock et al. (2014) have argued that the psychological features of this fall-out – such as stigma and shame – are socially situated, with Scheff (2000: 98) describing shame as “the *premier* social emotion”. Feelings of shame are thus rooted in and imposed by social structures, economic relations and dominant ideologies. Phelan et al. (2014: 17) argue that shame is a by-product of the broader phenomenon of stigmatization, which itself is a purposive, systemic process rooted in “social economic and political power that allows the identification of differentness, the construction of stereotypes, the separation of labelled persons into distinct categories and

the full execution of disapproval, rejection, exclusion and discrimination”. Social stigma – and its ensuing repercussions, such as poor health and low well-being – is thus located in a deliberate socio-economic context that is neither fixed nor inevitable. The process that leads from unemployment to poor health and social outcomes is consequently a profoundly political one. As such, though powerful, it is capable of being changed.

Amidst the dominance of the work ethic, certain groups have however been able to find alternative ways of achieving high well-being outside of the labour market: evidence that paid work is not an inevitably necessary institution to fulfil human happiness. The most obvious example, evident in this thesis, is retired people who tend not to work but are nevertheless some of the happiest people in societies. This raises a difficult comparison with unemployed people: both groups are non-participants in the labour market but are vastly different in terms of well-being. An explanation lies in the relationship of both groups with the ideal of the work ethic. Retirement frees people from the labour market; there is no expectation, and thus no shame, not to work. For retired people, the link between identity and wage-labour is broken by the transition into a new social category where the expectation to work disappears. Alternatively, working-age people are subjects of the work ethic. For those who fail to meet its ideal, there is stigma and its consequences; for those who can, there is a reassurance that life has meaning and value.

A powerful way of confronting the pernicious effects of unemployment is thus to challenge the hegemony of the work ethic. If this is the case however, ALMPs might not be the best solution. What if, for example, Sen is correct and ALMPs satisfy participants through ‘social conditioning’: through encouraging people to conform to the “political propaganda” and “cultural pressure” of the work ethic? Wulfgramm (2014: 261) makes this point, stating that ALMPs are far more than value-free labour market mechanisms. Rather, they are a “statement that policymakers implicitly or explicitly make about the status and identity of the unemployed in society”. This statement – especially in a conditional, work-first ALMP regime – is founded on assumptions about the value of work and the need to enforce an appreciation of work on a dangerously, non-conforming group of unemployed.

Wright (2012: 322) makes a similar case, arguing that welfare-to-work policies in general impose an identity on unemployed people and offer one, single route to salvation: they “constrain and punish recipients by imposing a spoiled identity of ‘welfare dependent’, prescribing only one viable alternative: worker”. ALMPs may indeed increase well-being in the short-term yet, arguably, this comes with the long-term cost of reinforcing the very ideals that lead to the deleterious effects of unemployment in the first case: the so-called “causes of the causes” (Marmot, 2005). Within this perspective, ALMPs and broader systems of activation can be conceptualized as part of a self-enforcing process, in which unemployed people are expected to conform to the very institutions and norms that promote their shame in the first place. The

work ethic is both the cause of unemployed people's misery and the root to escape it.

To deal with unemployment more seriously, it might be necessary – over time – to go beyond measures such as ALMPs and job guarantees and to begin to consider how the profound connection between identity and paid work can be challenged: how employment as a signifier of status and unemployment as a signifier of shame can be transformed. This is a difficult undertaking that may involve the gradual reconstruction of what work means altogether. Organizations and academics (e.g. Standing, 2011) have proposed numerous, long-term policy strategies to ultimately lead to a reconfiguration of what it means to work and what it means to be unemployed. These strategies mostly involve ways of enabling people to work less: such as through a lower retirement age, shorter working weeks, a much stronger recognition of care and, perhaps most radically, the provision of a universal basic income. Ultimately, the aim of these strategies would be to blur the lines between 'work' and 'non-work' by making it easier to work less or work in ways that do not involve wage-labour: to exist more comfortably outside of the labour market. Arguably, it is only through achieving this that unemployment can be truly and fundamentally reconceived.

Final Conclusions

The findings presented in this thesis showed that ALMPs have the potential to modify some of the well-being costs associated with unemployment. Whilst no evidence was found to support the argument that ALMPs improve the self-

rated physical health or social capital of unemployed people, ALMPs did have consistent associations with higher well-being, particularly for certain programmes and specific types of participants. Derived from a qualitative analysis of ALMP participants, it was argued that the efficacy of ALMPs might be drawn from their capacity to reverse three experiences of loss associated with unemployment: loss of agency, loss of the positive functions of paid work and loss of social status.

The final conclusion of this thesis is that to genuinely challenge and transform the impact that unemployment has on well-being, it is likely necessary that the very notion of what it means to work must change. This is a difficult prospect to consider however; it requires conceiving a different kind of society, where people work in different ways, and where different kinds of social subjects are produced. The best policy solution to combat unemployment may thus be one of pragmatism coupled with radicalism. This would involve short-term interventions that boost the well-being of unemployed people, such as ALMPs and job guarantees. However, to fundamentally challenge the health and social effects of unemployment, any strategy must also have the long-term goal of reconstructing unemployment through a demotion of the centrality that paid work has for human identity and social status. Whilst such a strategy is ambitious, it is plausible to envision policies that work within the existing boundaries of reform, such as a shorter working week or basic income. These policies would be politically plausible yet, simultaneously, in possession of the end capacity to produce radical social change.

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Appendix One

Table A1.1 OLS Regressions of 4-item and 3-item Well-Being on Control Variables (Excluding Employment Status)

	Model 1	Model 2
	4-item well-being	3-item well-being
Housing tenure (ref: own outright)		
Mortgage	-0.123*** (0.010)	-0.113*** (0.009)
Part own	-0.147*** (0.043)	-0.143*** (0.042)
Rent	-0.329*** (0.011)	-0.328*** (0.010)
Rent free/squat	-0.053 (0.036)	-0.035 (0.035)
Marital status (ref: single)		
Married	0.395*** (0.009)	0.462*** (0.008)
Separated	-0.102*** (0.018)	-0.095*** (0.017)
Divorced	-0.017 (0.012)	-0.005 (0.012)
Widowed	-0.166*** (0.024)	-0.203*** (0.023)
Highest qualification (ref: none)		
Higher education	0.171*** (0.013)	0.234*** (0.012)
A-Level or equivalent	0.153*** (0.013)	0.174*** (0.013)
GCSE or equivalent	0.122*** (0.013)	0.115*** (0.013)
Other qualification	0.108*** (0.015)	0.112*** (0.015)
Ethnicity (ref: none)		
Mixed race	-0.133*** (0.034)	-0.111*** (0.033)
Indian	-0.115*** (0.022)	-0.081*** (0.021)
Pakistani	-0.214*** (0.029)	-0.218*** (0.028)
Bangladeshi	-0.183*** (0.045)	-0.205*** (0.044)
Chinese	-0.074+ (0.040)	-0.081* (0.039)
Other Asian	-0.043 (0.032)	-0.024 (0.031)
Black	-0.150*** (0.020)	-0.241*** (0.019)
Arab	-0.311*** (0.057)	-0.286*** (0.055)
Other ethnicity	-0.172*** (0.030)	-0.155*** (0.029)
Region (ref: Yorkshire)		
Merseyside	-0.118*** (0.024)	-0.107*** (0.024)
London	-0.083*** (0.014)	-0.048*** (0.014)
North-West	-0.013 (0.015)	-0.013 (0.015)
North-East	-0.018 (0.018)	-0.015 (0.018)
East Midlands	0.010 (0.016)	0.010 (0.015)
Wales	0.004 (0.018)	0.002 (0.018)
South-East	0.004 (0.014)	0.009 (0.013)

West Midlands	0.003 (0.015)	-0.056*** (0.015)
South-West	0.020 (0.015)	0.019 (0.015)
East	0.013 (0.015)	0.006 (0.014)
Scotland	0.053*** (0.015)	0.038* (0.015)
Demographics		
Age	-0.086*** (0.002)	-0.087*** (0.002)
Age-squared	0.001*** (0.000)	0.001*** (0.000)
Religious	0.091*** (0.007)	0.144*** (0.007)
Female	0.089*** (0.006)	0.184*** (0.006)
Good health	1.149*** (0.008)	1.097*** (0.008)
Year: 2013	0.046*** (0.006)	0.030*** (0.006)
Constant	7.816	7.893
R ²	0.128	0.138
Adjusted R ²	0.128	0.138
N	241180	241180
Log-likelihood	-449777.2	-444254.0
BIC	900037.8	888991.3

Standard errors in parentheses

+ p<.10, * p<.05, ** p<.01, *** p<.001

Table A1.2 OLS Regressions of Life Satisfaction, Life Worth, Happiness and Anxiety (Excluding Employment Status)

	Model 1	Model 2	Model 3	Model 4
	Life satisfaction	Life worth	Happiness	Anxiety
Housing tenure (ref: own outright)				
Mortgage	-0.160*** (0.011)	-0.051*** (0.010)	-0.128*** (0.013)	-0.152*** (0.017)
Part own	-0.238*** (0.047)	-0.083+ (0.046)	-0.110+ (0.058)	-0.158* (0.077)
Rent	-0.441*** (0.012)	-0.237*** (0.011)	-0.306*** (0.014)	-0.332*** (0.019)
Rent free/squat	-0.140*** (0.040)	0.051 (0.038)	-0.017 (0.049)	-0.106+ (0.064)
Marital status (ref: single)				
Married	0.539*** (0.010)	0.411*** (0.009)	0.436*** (0.012)	0.192*** (0.016)
Separated	-0.210*** (0.019)	0.017 (0.019)	-0.091*** (0.024)	-0.123*** (0.032)
Divorced	-0.041** (0.014)	0.039** (0.013)	-0.013 (0.017)	-0.055* (0.022)
Widowed	-0.340*** (0.026)	-0.074** (0.025)	-0.196*** (0.032)	-0.053 (0.043)
Highest qualification status (ref: none)				
Higher education	0.180*** (0.014)	0.355*** (0.013)	0.167*** (0.017)	-0.018 (0.023)
A-Level or equivalent	0.127*** (0.014)	0.274*** (0.014)	0.122*** (0.018)	0.089*** (0.023)
GCSE or equivalent	0.055*** (0.014)	0.199*** (0.014)	0.090*** (0.018)	0.144*** (0.023)
Other qualification	0.077*** (0.017)	0.144*** (0.016)	0.113*** (0.020)	0.097*** (0.027)
Ethnicity (ref: white)				
Mixed race	-0.251*** (0.037)	-0.027 (0.036)	-0.055 (0.046)	-0.200*** (0.060)
Indian	-0.137*** (0.024)	-0.131*** (0.023)	0.024 (0.029)	-0.217*** (0.039)
Pakistani	-0.243*** (0.032)	-0.236*** (0.031)	-0.174*** (0.039)	-0.202*** (0.051)
Bangladeshi	-0.336*** (0.050)	-0.242*** (0.048)	-0.037 (0.061)	-0.116 (0.081)
Chinese	-0.124** (0.044)	-0.201*** (0.043)	0.083 (0.055)	-0.056 (0.072)
Other Asian	0.001 (0.035)	-0.156*** (0.034)	0.082+ (0.043)	-0.098+ (0.057)
Black	-0.484*** (0.022)	-0.111*** (0.021)	-0.127*** (0.027)	0.122*** (0.036)
Arab	-0.226*** (0.062)	-0.300*** (0.060)	-0.332*** (0.077)	-0.387*** (0.101)
Other ethnicity	-0.164*** (0.033)	-0.210*** (0.032)	-0.089* (0.040)	-0.224*** (0.053)
Region (ref: Yorkshire)				
Merseyside	-0.101*** (0.027)	-0.060* (0.026)	-0.159*** (0.033)	-0.151*** (0.043)
London	-0.057*** (0.016)	-0.103*** (0.015)	0.015 (0.019)	-0.189*** (0.025)
North-West	-0.019 (0.016)	-0.026+ (0.016)	0.006 (0.020)	-0.014 (0.027)
North-East	0.014 (0.020)	-0.025 (0.020)	-0.032 (0.025)	-0.030 (0.033)
East Midlands	-0.001 (0.017)	-0.019 (0.017)	0.048* (0.021)	0.009 (0.028)
Wales	-0.025 (0.020)	-0.005 (0.019)	0.036 (0.024)	0.009 (0.032)
South-East	0.013 (0.015)	-0.006 (0.014)	0.020 (0.019)	-0.011 (0.024)
West Midlands	-0.059*** (0.017)	-0.096*** (0.016)	-0.013 (0.021)	0.178*** (0.027)
South-West	0.033+ (0.017)	-0.003 (0.016)	0.027 (0.021)	0.024 (0.027)
East	-0.001 (0.016)	-0.031* (0.016)	0.049* (0.020)	0.035 (0.027)
Scotland	0.072*** (0.017)	-0.019 (0.016)	0.060** (0.020)	0.101*** (0.027)

Demographics				
Age	-0.114*** (0.002)	-0.059*** (0.002)	-0.088*** (0.003)	-0.081*** (0.003)
Age-squared	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)
Religious	0.113*** (0.008)	0.177*** (0.008)	0.143*** (0.010)	-0.069*** (0.013)
Female	0.147*** (0.007)	0.305*** (0.007)	0.099*** (0.009)	-0.197*** (0.012)
Good health	1.190*** (0.009)	0.928*** (0.009)	1.173*** (0.011)	1.305*** (0.015)
Year: 2013	0.042*** (0.007)	0.032*** (0.007)	0.016+ (0.009)	0.094*** (0.011)
Constant	8.557	7.448	7.673	7.586
R ²	0.141	0.0981	0.0769	0.0469
Adjusted R ²	0.140	0.0980	0.0767	0.0467
N	241180	241180	241180	241180
Log-likelihood	-473738.7	-465118.9	-524028.1	-590610.7
BIC	947960.8	930721.1	1048539.5	1181704.7

Standard errors in parentheses
+ p<.10, * p<.05, ** p<.01, *** p<.001

Table A1.3 OLS Regressions of Life Satisfaction, Life Worth, Happiness and Anxiety

	Model 1	Model 2	Model 3	Model 4
	Life satisfaction	Life worth	Happiness	Anxiety
Current employment status (ref: ALMP)				
Unemployed	-0.192*** (0.047)	-0.224*** (0.046)	-0.219*** (0.059)	0.035 (0.078)
Employed	0.721*** (0.046)	0.430*** (0.044)	0.192*** (0.057)	0.442*** (0.075)
Self-employed	0.691*** (0.047)	0.538*** (0.045)	0.239*** (0.058)	0.412*** (0.077)
Retired	0.985*** (0.049)	0.465*** (0.047)	0.541*** (0.061)	0.851*** (0.080)
Sick/disabled	-0.220*** (0.048)	-0.556*** (0.046)	-0.555*** (0.059)	-0.393*** (0.078)
Family care	0.664*** (0.048)	0.596*** (0.046)	0.246*** (0.059)	0.472*** (0.078)
Student	0.752*** (0.050)	0.549*** (0.049)	0.220*** (0.063)	0.069 (0.083)
Unpaid family work	0.652*** (0.088)	0.431*** (0.085)	0.333** (0.109)	0.207 (0.144)
Other status	0.588*** (0.051)	0.200*** (0.049)	0.183** (0.063)	0.397*** (0.084)
Controls				
Housing tenure (ref: own outright)				
Mortgage	-0.153*** (0.011)	-0.051*** (0.010)	-0.104*** (0.013)	-0.127*** (0.017)
Part own	-0.234*** (0.047)	-0.070 (0.045)	-0.083 (0.058)	-0.141+ (0.076)
Rent	-0.336*** (0.012)	-0.155*** (0.011)	-0.226*** (0.014)	-0.236*** (0.019)
Rent free/squat	-0.094* (0.039)	0.081* (0.038)	0.021 (0.049)	-0.054 (0.064)
Marital status (ref: single)				
Married	0.487*** (0.009)	0.358*** (0.009)	0.398*** (0.012)	0.149*** (0.016)
Separated	-0.236*** (0.019)	-0.013 (0.019)	-0.109*** (0.024)	-0.145*** (0.032)
Divorced	-0.040** (0.013)	0.038** (0.013)	-0.006 (0.017)	-0.046* (0.022)
Widowed	-0.379*** (0.026)	-0.095*** (0.025)	-0.222*** (0.032)	-0.086* (0.043)
Highest qualification (ref: none)				
Higher education	0.042** (0.014)	0.235*** (0.013)	0.076*** (0.017)	-0.111*** (0.023)
A-Level or equivalent	0.013 (0.014)	0.161*** (0.014)	0.048** (0.018)	0.026 (0.024)
GCSE or equivalent	-0.033* (0.014)	0.110*** (0.014)	0.024 (0.018)	0.074** (0.024)
Other qualification	0.011 (0.016)	0.071*** (0.016)	0.060** (0.020)	0.041 (0.027)
Ethnicity (ref: white)				
Mixed race	-0.219*** (0.037)	-0.001 (0.035)	-0.041 (0.046)	-0.179** (0.060)
Indian	-0.118*** (0.024)	-0.121*** (0.023)	0.034 (0.029)	-0.198*** (0.039)
Pakistani	-0.184*** (0.031)	-0.224*** (0.030)	-0.159*** (0.039)	-0.173*** (0.051)
Bangladeshi	-0.330*** (0.049)	-0.272*** (0.047)	-0.055 (0.061)	-0.124 (0.081)
Chinese	-0.172*** (0.044)	-0.258*** (0.043)	0.060 (0.055)	0.020 (0.073)
Other Asian	-0.003 (0.035)	-0.169*** (0.034)	0.071+ (0.043)	-0.092 (0.057)
Black	-0.447*** (0.022)	-0.088*** (0.021)	-0.117*** (0.027)	0.141*** (0.036)
Arab	-0.207*** (0.062)	-0.299*** (0.060)	-0.328*** (0.077)	-0.314** (0.101)
Other ethnicity	-0.151*** (0.032)	-0.214*** (0.031)	-0.093* (0.040)	-0.204*** (0.053)
Region (ref: Yorkshire)				

Merseyside	-0.088*** (0.026)	-0.049+ (0.025)	-0.151*** (0.033)	-0.137** (0.043)
London	-0.074*** (0.015)	-0.125*** (0.015)	0.001 (0.019)	-0.203*** (0.025)
North-West	-0.019 (0.016)	-0.025 (0.016)	0.006 (0.020)	-0.015 (0.027)
North-East	0.030 (0.020)	-0.009 (0.019)	-0.023 (0.025)	-0.020 (0.033)
East Midlands	-0.016 (0.017)	-0.034* (0.017)	0.036+ (0.021)	-0.004 (0.028)
Wales	-0.011 (0.020)	0.007 (0.019)	0.047+ (0.024)	0.023 (0.032)
South-East	-0.006 (0.015)	-0.027+ (0.014)	0.006 (0.018)	-0.027 (0.024)
West Midlands	-0.070*** (0.017)	-0.109*** (0.016)	-0.022 (0.021)	0.168*** (0.027)
South-West	0.016 (0.017)	-0.022 (0.016)	0.016 (0.021)	0.014 (0.027)
East	-0.022 (0.016)	-0.056*** (0.016)	0.033 (0.020)	0.015 (0.026)
Scotland	0.087*** (0.016)	-0.004 (0.016)	0.072*** (0.020)	0.113*** (0.027)
Demographics				
Age	-0.101*** (0.002)	-0.053*** (0.002)	-0.073*** (0.003)	-0.070*** (0.004)
Age-squared	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)
Religious	0.114*** (0.008)	0.182*** (0.008)	0.148*** (0.010)	-0.063*** (0.013)
Female	0.116*** (0.007)	0.274*** (0.007)	0.072*** (0.009)	-0.228*** (0.012)
Good health	0.959*** (0.010)	0.688*** (0.009)	0.989*** (0.012)	1.106*** (0.016)
Year: 2013	0.040*** (0.007)	0.030*** (0.007)	0.013 (0.009)	0.092*** (0.011)
Constant	8.007	7.261	7.458	7.266
R ²	0.164	0.120	0.0851	0.0530
Adjusted R ²	0.164	0.120	0.0849	0.0529
N	241180	241180	241180	241180
Log-likelihood	-470391.2	-462121.3	-522946.9	-589828.0
BIC	941377.3	924837.5	1046488.7	1180250.9

Standard errors in parentheses
+ p<.10, * p<.05, ** p<.01, *** p<.001

Table A1.4 Sensitivity Analyses of OLS Regressions on Life Satisfaction

Model	Effect of unemployment relative to ALMP	N	R ²	BIC
(1) Cubed dependent variable	-25.627***	241180	0.121	3350588
(2) Robust standard errors	-0.192*	241180	0.164	941377.3
(3) Excluding outliers	-0.089*	229603	0.199	801347
(4) Excluding ALMP participants who also state being in paid work	-0.179***	241180	0.164	941387.4
(5) Life satisfaction (2012)	-0.239**	120696	0.163	475197.7
(6) Life satisfaction (2013)	-0.149*	120848	0.166	466438.2
Ordered logit	-0.163**	241180	0.042	878638.1

Table A1.5 Sensitivity Analyses of OLS Regressions on Life Worth

Model	Effect of unemployment relative to ALMP	N	R ²	BIC
(1) Cubed dependent variable	-29.172***	241180	0.082	3368331
(2) Robust standard errors	-0.224**	241180	0.120	924837.5
(3) Excluding outliers	-0.148***	230707	0.129	795528
(4) Excluding ALMP participants who also state being in paid work	-0.205***	241180	0.120	924844.4
(5) Life worth (2012)	-0.215**	120696	0.122	465440.6
(6) Life worth (2013)	-0.208***	120484	0.119	459730.6
(7) Ordered logit	-0.196***	241180	0.029	864391.7

Table A1.6 Sensitivity Analyses of OLS Regressions on Happiness

Model	Effect of unemployment relative to ALMP	N	R ²	BIC
(1) Cubed dependent variable	-28.848***	241180	0.063	3424683
(2) Robust standard errors	-0.219*	241180	0.085	1046589
(3) Excluding outliers	-0.227***	228653	0.100	901803
(4) Excluding ALMP participants who also state being in paid work	-0.224***	241180	0.085	1046501
(5) Happiness (2012)	-0.155	120696	0.086	526303
(6) Happiness (2013)	-0.231**	120484	0.085	520536.1
Ordered logit	-0.174**	241180	0.019	976889.5

Table A1.7 Sensitivity Analyses of OLS Regressions on Anxiety

Model	Effect of unemployment relative to ALMP	N	R ²	BIC
(1) Logarithmic dependent variable	0.022	241180	0.059	355443.9
(2) Robust standard errors	0.035	241180	0.053	1180251
(3) Excluding outliers	-0.003	233604	0.068	1107280
(4) Excluding ALMP participants who also state being in paid work	0.030	241180	0.053	1180263
(5) Anxiety (2012)	0.042	120696	0.053	592077.8
(6) Anxiety (2013)	0.041	120484	0.054	588564.3
Ordered logit	-0.006	241180	0.011	1043498

Appendix Two

Table A2.1 Fixed Effects Models for Different Dimensions of GHQ-12 (Full Control Variables Shown)

	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6	Model 7	Model 8	Model 9	Model 10	Model 11	Model 12
	Facing up to problems	Playing a useful role	Decision-making	Overcoming difficulties	Self worth	Confidence	Concentration	Enjoying daily activities	Happiness	Sleep	Strain	Depression
Current employment status (ref: ALMP)												
Unemployed	- 0.094** (0.030)	- 0.239*** (0.034)	- 0.125*** (0.030)	- 0.057 (0.039)	- 0.100** (0.035)	- 0.147*** (0.039)	- 0.195*** (0.033)	- 0.109** (0.035)	- 0.193*** (0.035)	- 0.057 (0.042)	- 0.051 (0.041)	- 0.102* (0.044)
Employed	0.007 (0.030)	0.031 (0.033)	- 0.004 (0.030)	0.074+ (0.039)	0.103** (0.035)	0.077* (0.039)	- 0.102** (0.032)	0.003 (0.034)	- 0.038 (0.035)	0.074+ (0.041)	0.014 (0.041)	0.091* (0.044)
Self-employed	0.008 (0.030)	0.034 (0.034)	- 0.007 (0.031)	0.071+ (0.040)	0.108** (0.035)	0.086* (0.040)	- 0.097** (0.033)	0.017 (0.035)	- 0.036 (0.036)	0.055 (0.042)	0.029 (0.042)	0.115** (0.045)
Retired	- 0.020 (0.030)	- 0.056+ (0.034)	- 0.050 (0.031)	0.069+ (0.040)	0.049 (0.035)	0.031 (0.040)	- 0.115*** (0.033)	- 0.016 (0.035)	- 0.046 (0.036)	0.103* (0.042)	0.107* (0.042)	0.090* (0.045)
Family care	- 0.044 (0.030)	- 0.074* (0.034)	- 0.078* (0.030)	0.039 (0.040)	0.023 (0.035)	- 0.023 (0.040)	- 0.157*** (0.033)	- 0.025 (0.035)	- 0.099** (0.036)	0.025 (0.042)	0.011 (0.042)	0.026 (0.044)
Student	0.015 (0.031)	0.014 (0.034)	- 0.006 (0.031)	0.059 (0.040)	0.118*** (0.036)	0.073+ (0.040)	- 0.084* (0.033)	0.045 (0.035)	- 0.026 (0.036)	0.038 (0.043)	- 0.018 (0.042)	0.108* (0.045)
Sick/disabled	- 0.232*** (0.031)	- 0.309*** (0.034)	- 0.248*** (0.031)	- 0.185*** (0.040)	- 0.249*** (0.036)	- 0.279*** (0.040)	- 0.340*** (0.033)	- 0.299*** (0.035)	- 0.273*** (0.036)	- 0.141*** (0.042)	- 0.160*** (0.042)	- 0.221*** (0.045)
Maternity	- 0.021 (0.033)	0.092* (0.037)	- 0.108** (0.034)	0.112* (0.044)	0.156*** (0.039)	0.053 (0.044)	- 0.361*** (0.036)	- 0.067+ (0.038)	0.192*** (0.039)	0.084+ (0.046)	- 0.026 (0.046)	0.179*** (0.049)
Other status	0.014 (0.035)	- 0.075+ (0.039)	- 0.026 (0.035)	0.036 (0.046)	- 0.008 (0.041)	0.001 (0.046)	- 0.126*** (0.038)	- 0.041 (0.040)	- 0.041 (0.041)	0.014 (0.048)	- 0.009 (0.048)	0.016 (0.051)
Controls												
Housing tenure (ref: own or mortgage)												
Part own	0.008 (0.020)	- 0.013 (0.023)	- 0.018 (0.020)	- 0.016 (0.026)	- 0.034 (0.023)	- 0.049+ (0.027)	0.015 (0.022)	- 0.009 (0.023)	- 0.026 (0.024)	- 0.016 (0.028)	0.010 (0.028)	0.009 (0.030)

Rent	0.021*** (0.005)	0.024*** (0.006)	0.017** (0.005)	- (0.005 (0.007))	- (0.006 (0.006))	- (0.002 (0.007))	0.010+ (0.006)	0.010 (0.006)	0.021** (0.006)	- (0.013+ (0.007))	- (0.019** (0.007))	0.013 (0.008)
Rent free/squat	- (0.001 (0.013))	0.030* (0.015)	0.007 (0.013)	- (0.001 (0.018))	0.005 (0.016)	0.023 (0.018)	- (0.003 (0.015))	- (0.001 (0.015))	0.005 (0.016)	- (0.036+ (0.019))	- (0.033+ (0.018))	- (0.010 (0.020))
Other tenure	- (0.023 (0.026))	- (0.015 (0.029))	0.008 (0.026)	0.022 (0.034)	- (0.002 (0.030))	- (0.035 (0.034))	0.000 (0.028)	- (0.050+ (0.030))	- (0.025 (0.031))	0.049 (0.036)	- (0.038 (0.036))	- (0.027 (0.038))
Marital status (ref: single)												
Married	- (0.021** (0.007))	- (0.003 (0.008))	- (0.041*** (0.007))	0.018+ (0.009)	0.025** (0.008)	0.016+ (0.009)	- (0.021** (0.008))	- (0.014+ (0.008))	0.010 (0.008)	0.014 (0.010)	0.004 (0.010)	0.024* (0.010)
Separated	- (0.010 (0.011))	- (0.046*** (0.013))	- (0.030* (0.012))	- (0.099*** (0.015))	- (0.093*** (0.013))	- (0.113*** (0.015))	- (0.093*** (0.012))	- (0.028* (0.013))	- (0.010 (0.014))	- (0.162*** (0.016))	- (0.117*** (0.016))	- (0.125*** (0.017))
Divorced	0.015 (0.010)	0.018 (0.011)	- (0.016 (0.010))	0.025+ (0.013)	0.015 (0.012)	0.006 (0.013)	- (0.005 (0.011))	0.019+ (0.011)	0.073*** (0.012)	0.030* (0.014)	0.034* (0.014)	0.041** (0.015)
Widowed	- (0.118*** (0.017))	- (0.100*** (0.020))	- (0.108*** (0.018))	- (0.096*** (0.023))	- (0.081*** (0.020))	- (0.181*** (0.023))	- (0.139*** (0.019))	- (0.109*** (0.020))	- (0.134*** (0.021))	- (0.134*** (0.024))	- (0.105*** (0.024))	- (0.277*** (0.026))
Highest qualification (ref: none)												
Higher education	0.017 (0.011)	- (0.028* (0.013))	0.005 (0.012)	0.021 (0.015)	0.024+ (0.013)	- (0.008 (0.015))	- (0.015 (0.012))	- (0.009 (0.013))	- (0.002 (0.014))	- (0.000 (0.016))	- (0.022 (0.016))	0.004 (0.017)
A-Level or equivalent	0.014 (0.013)	- (0.023 (0.014))	0.011 (0.013)	0.013 (0.017)	- (0.003 (0.015))	- (0.017 (0.017))	- (0.001 (0.014))	- (0.004 (0.015))	0.001 (0.015)	0.001 (0.018)	- (0.014 (0.018))	- (0.028 (0.019))
GCSE or equivalent	0.014 (0.013)	- (0.013 (0.014))	0.012 (0.013)	0.003 (0.017)	0.002 (0.015)	- (0.012 (0.017))	0.000 (0.014)	- (0.011 (0.015))	- (0.010 (0.015))	- (0.015 (0.017))	- (0.026 (0.017))	- (0.005 (0.019))
Apprentice	- (0.052 (0.038))	- (0.053 (0.043))	0.050 (0.039)	0.037 (0.050)	0.051 (0.044)	0.029 (0.050)	0.035 (0.042)	- (0.027 (0.044))	0.011 (0.045)	0.018 (0.053)	- (0.074 (0.053))	- (0.004 (0.056))
Other qualification	0.012 (0.013)	- (0.026+ (0.015))	- (0.020 (0.013))	- (0.006 (0.017))	0.003 (0.015)	- (0.001 (0.017))	- (0.032* (0.014))	- (0.008 (0.015))	- (0.009 (0.016))	- (0.001 (0.018))	- (0.034+ (0.018))	0.003 (0.020)
Region (ref: Yorkshire)												
North-east	- (0.063+ (0.006))	- (0.024 (0.030))	- (0.003 (0.030))	- (0.066 (0.040))	- (0.043 (0.040))	- (0.027 (0.040))	- (0.096** (0.006))	- (0.022 (0.030))	- (0.015 (0.040))	- (0.081+ (0.006))	- (0.038 (0.040))	- (0.006 (0.050))

	34)	8)	4)	5)	0)	5)	37)	9)	0)	47)	7)	0)
London	- 0.028 (0.02 3)	- 0.023 (0.02 6)	0.017 (0.02 4)	0.015 (0.03 1)	- 0.019 (0.02 7)	0.001 (0.03 1)	- 0.063* (0.0 26)	- 0.055* (0.0 27)	0.003 (0.02 8)	- 0.023 (0.03 3)	- 0.059+ (0.0 32)	0.006 (0.03 5)
Scotland	0.010 (0.03 0)	- 0.048 (0.03 4)	0.046 (0.03 1)	0.066+ (0.0 40)	- 0.016 (0.03 5)	- 0.001 (0.04 0)	- 0.002 (0.03 3)	0.017 (0.03 5)	0.023 (0.03 6)	0.033 (0.04 2)	0.055 (0.04 2)	0.046 (0.04 5)
South-East	- 0.017 (0.02 3)	- 0.003 (0.02 6)	0.022 (0.02 3)	0.008 (0.03 0)	0.008 (0.02 7)	0.023 (0.03 0)	- 0.032 (0.02 5)	- 0.041 (0.02 6)	0.008 (0.02 7)	- 0.020 (0.03 2)	- 0.024 (0.03 2)	- 0.013 (0.03 4)
Wales	0.031 (0.02 8)	0.001 (0.03 1)	0.058* (0.0 28)	0.012 (0.03 7)	0.053 (0.03 3)	0.084* (0.0 37)	0.004 (0.03 1)	0.029 (0.03 2)	0.070* (0.0 33)	0.038 (0.03 9)	0.068+ (0.0 39)	0.036 (0.04 1)
North-West	- 0.004 (0.02 4)	- 0.042 (0.02 7)	0.019 (0.02 4)	- 0.055+ (0.0 31)	- 0.011 (0.02 8)	- 0.013 (0.03 1)	- 0.044+ (0.0 26)	- 0.037 (0.02 7)	0.007 (0.02 8)	- 0.058+ (0.0 33)	- 0.094** (0.0 33)	- 0.047 (0.03 5)
Midlands	- 0.006 (0.02 2)	- 0.014 (0.02 4)	0.031 (0.02 2)	- 0.006 (0.02 8)	- 0.002 (0.02 5)	- 0.002 (0.02 8)	- 0.008 (0.02 4)	0.007 (0.02 5)	0.011 (0.02 5)	0.001 (0.03 0)	0.006 (0.03 0)	0.018 (0.03 2)
Northern Ireland	0.003 (0.10 9)	- 0.149 (0.12 2)	- 0.111 (0.11 0)	- 0.036 (0.14 3)	- 0.171 (0.12 7)	- 0.110 (0.14 3)	0.001 (0.11 9)	- 0.109 (0.12 5)	- 0.003 (0.12 8)	- 0.138 (0.15 1)	0.078 (0.15 0)	0.050 (0.16 0)
South-West	- 0.029 (0.02 5)	- 0.016 (0.02 8)	- 0.004 (0.02 5)	0.002 (0.03 2)	- 0.016 (0.02 9)	0.012 (0.03 2)	- 0.053* (0.0 27)	- 0.020 (0.02 8)	- 0.031 (0.02 9)	- 0.028 (0.03 4)	- 0.019 (0.03 4)	- 0.016 (0.03 6)
East	0.034 (0.02 5)	0.052+ (0.0 28)	0.075** (0.0 26)	0.021 (0.03 3)	0.005 (0.02 9)	0.002 (0.03 3)	0.023 (0.02 8)	0.011 (0.02 9)	0.042 (0.03 0)	0.012 (0.03 5)	0.009 (0.03 5)	- 0.013 (0.03 7)
Demographics												
Age	- 0.025*** (0. 003)	- 0.034*** (0. 004)	- 0.032*** (0. 004)	- 0.004 (0.00 5)	- 0.009* (0.0 04)	- 0.024*** (0. 005)	- 0.004** (0.0 01)	- 0.022*** (0. 004)	- 0.033*** (0. 004)	0.005 (0.00 5)	- 0.013** (0.0 05)	0.002 (0.00 5)
Age-squared	0.000*** (0. 000)	0.000*** (0. 000)	0.000*** (0. 000)	0.000*** (0. 000)	0.000*** (0. 000)	0.000*** (0. 000)	0.000*** (0. 000)	0.000*** (0. 000)	0.000*** (0. 000)	0.000*** (0. 000)	0.000*** (0. 000)	0.000*** (0. 000)
Log income	0.008*** (0. 002)	0.009*** (0. 003)	0.007** (0.0 02)	0.015*** (0. 003)	0.008** (0.0 03)	0.013*** (0. 003)	0.009*** (0. 002)	- 0.003 (0.00 3)	0.010*** (0. 003)	0.028*** (0. 003)	0.015*** (0. 003)	0.017*** (0. 003)
No children	- 0.004 (0.00 4)	- 0.019*** (0. 004)	- 0.002 (0.00 4)	- 0.013* (0.0 05)	- 0.010* (0.0 05)	- 0.004 (0.00 5)	0.004 (0.00 4)	- 0.010* (0.0 05)	- 0.001 (0.00 5)	- 0.031*** (0. 005)	0.003 (0.00 5)	- 0.008 (0.00 6)
Year	0.010** (0.0 03)	0.021*** (0. 004)	0.013*** (0. 003)	- 0.019*** (0. 004)	- 0.013*** (0. 004)	- 0.001 (0.00 4)	-	0.014*** (0. 004)	0.014*** (0. 004)	- 0.035*** (0. 005)	- 0.015** (0.0 05)	- 0.016** (0.0 05)

Constant	3.594	3.952	3.890	2.903	3.572	3.711	3.008	3.537	3.820	2.502	2.735	2.609
R ² (within, between, overall)	0.001; 0.031; 0.017	0.012; 0.028; 0.018	0.014; 0.039; 0.022	0.007; 0.005; 0.004	0.01; 0.028; 0.023	0.013; 0.026; 0.027	0.008; 0.009; 0.006	0.008; 0.028; 0.015	0.010; 0.016; 0.010	0.009; 0.001; 0.001	0.009; 0.001; 0.001	0.009; 0.014; 0.009
N	186442	186442	186442	186442	186442	186442	186442	186442	186442	186442	186442	186442
Log-likelihood	-101657.0	-122704.1	-103923.4	-152896.3	-130181.9	-153105.2	-118032.1	-128171.0	-132895.9	-163177.6	-162206.2	-174113.7
BIC	203775.1	245869.4	208307.9	306253.8	260825.0	306671.5	236513.2	256803.2	266253.0	326816.3	324873.6	348688.5

Standard errors in parentheses

+ p<.10, * p<.05, ** p<.01, *** p<.001

Table A2.2 Fixed Effects Models for Different Indicators of Health (Full Control Variables Shown)

	Model 1	Model 2
	Self-rated health	Satisfaction with health
Current employment status (ref: ALMP)		
Unemployed	-0.003 (0.045)	-0.097 (0.101)
Employed	0.067 (0.045)	0.041 (0.100)
Self-employed	0.088+ (0.046)	0.084 (0.102)
Retired	-0.076 (0.046)	0.002 (0.102)
Family care	-0.031 (0.046)	-0.061 (0.101)
Student	0.039 (0.047)	-0.096 (0.102)
Sick/disabled	-0.585*** (0.046)	-0.740*** (0.102)
Maternity	0.054 (0.051)	-0.178+ (0.107)
Other status	-0.069 (0.053)	-0.071 (0.112)
Controls		
Housing tenure (ref: own or mortgage)		
Part own	-0.028 (0.030)	-0.122* (0.059)
Rent	0.005 (0.008)	-0.038* (0.017)
Rent free/squat	0.021 (0.020)	-0.005 (0.041)
Other tenure	-0.016 (0.041)	-0.076 (0.077)
Marital status (ref: single)		
Married	0.054*** (0.011)	0.020 (0.021)
Separated	0.030+ (0.017)	0.053 (0.035)
Divorced	0.064*** (0.015)	0.026 (0.030)
Widowed	0.054* (0.027)	0.059 (0.055)
Highest qualification (ref: none)		
Higher education	-0.033+ (0.019)	-0.265*** (0.035)
A-Level or equivalent	-0.066** (0.021)	-0.069+ (0.039)
GCSE or equivalent	-0.042+ (0.021)	-0.047 (0.039)
Apprenticeship	0.094 (0.065)	-0.003 (0.116)
Other qualification	-0.035 (0.028)	-0.116** (0.038)
Region (ref: Yorkshire)		
North-East	-0.024 (0.052)	-0.137 (0.110)
London	-0.016 (0.036)	0.000 (0.076)
Scotland	0.024 (0.046)	-0.075 (0.097)
South-East	0.052 (0.035)	0.011 (0.074)
Wales	0.025 (0.043)	0.025 (0.089)
North-West	-0.009 (0.036)	-0.101 (0.077)
Midlands	0.005 (0.033)	-0.056 (0.070)
Northern Ireland	0.168 (0.265)	-0.362 (0.284)

South-West	0.045 (0.038)	0.124 (0.081)
East	0.055 (0.039)	0.013 (0.081)
Demographics		
Age	-0.005 (0.005)	-0.031*** (0.001)
Log income	0.003 (0.003)	-0.004 (0.007)
No children	-0.017** (0.006)	-0.025* (0.012)
Year	-0.006 (0.005)	
Constant	4.071	6.480
R ² (within, between, overall)	0.025/0.194/0.136	0.025/0.050/0.046
N	162414	137662
Log-likelihood	-142910.2	-200150.1
BIC	286264.2	400726.2

Standard errors in parentheses
+ p<.10, * p<.05, ** p<.01, *** p<.001

Table A2.3 Fixed Effects Models for Different Indicators of Social Capital (Full Control Variables Shown)

	Model 1	Model 2	Model 3	Model 4
	Civic participation	Social interactions	Neighbourhood attachment	Satisfaction with social life
Employment status (ref: ALMP)				
Unemployed	-0.068 (0.091)	-0.009 (0.090)	-0.006 (0.033)	0.040 (0.097)
Employed	0.030 (0.090)	-0.135 (0.089)	0.015 (0.033)	0.270** (0.096)
Self-employed	-0.032 (0.092)	-0.073 (0.091)	0.001 (0.033)	0.262** (0.098)
Retired	-0.143 (0.093)	0.139 (0.091)	0.016 (0.033)	0.186+ (0.098)
Family care	-0.003 (0.091)	0.076 (0.090)	0.027 (0.033)	0.032 (0.097)
Student	0.098 (0.094)	0.125 (0.092)	0.091** (0.034)	0.279** (0.098)
Sick/disabled	-0.211* (0.093)	0.019 (0.091)	0.007 (0.034)	-0.154 (0.098)
Maternity	-0.202+ (0.105)	-0.007 (0.098)	0.030 (0.037)	0.036 (0.103)
Other status	-0.119 (0.109)	0.014 (0.099)	0.009 (0.038)	0.144 (0.107)
Controls				
Housing tenure (ref: own or mortgage)				
Part own	-0.113+ (0.068)	-0.135* (0.053)	0.010 (0.022)	-0.123* (0.056)
Rent	-0.041* (0.017)	-0.124*** (0.015)	-0.132*** (0.006)	-0.050** (0.016)
Rent free/squat	0.012 (0.043)	-0.132*** (0.038)	-0.131*** (0.015)	-0.073+ (0.040)
Other tenure	0.120 (0.086)	-0.105 (0.069)	-0.106*** (0.029)	-0.208** (0.074)
Marital status (ref: single)				
Married	0.054* (0.022)	0.080*** (0.021)	0.032*** (0.008)	-0.064** (0.022)
Separated	0.048 (0.036)	0.064* (0.032)	0.030* (0.013)	-0.044 (0.034)
Divorced	0.048 (0.032)	0.050+ (0.029)	-0.000 (0.011)	0.049 (0.031)
Widowed	0.160** (0.056)	0.229*** (0.052)	0.042* (0.020)	-0.226*** (0.055)
Highest qualification (ref: none)				
Higher education	0.003 (0.040)	-0.006 (0.039)	-0.080*** (0.014)	-0.062 (0.040)
A-Level or equivalent	-0.067 (0.045)	0.050 (0.042)	-0.061*** (0.016)	0.052 (0.044)
GCSE or equivalent	0.024 (0.044)	0.039 (0.043)	-0.064*** (0.016)	-0.010 (0.045)
Apprentice	0.357** (0.134)	-0.006 (0.124)	-0.109* (0.047)	0.120 (0.129)
Other qualification	-0.053 (0.058)	-0.049 (0.057)	-0.014 (0.021)	0.030 (0.059)
Region (ref: Yorkshire)				
North-East	0.100 (0.107)	-0.003 (0.108)	-0.064+ (0.039)	-0.218* (0.106)
London	-0.206** (0.074)	-0.388*** (0.073)	-0.230*** (0.026)	0.012 (0.073)
Scotland	-0.227* (0.097)	0.027 (0.092)	0.037 (0.034)	0.166+ (0.094)
South-East	-0.206** (0.072)	-0.308*** (0.071)	-0.002 (0.026)	-0.130+ (0.072)
Wales	-0.056 (0.091)	-0.211* (0.084)	0.148*** (0.032)	0.086 (0.086)
North-West	-0.077 (0.074)	-0.236** (0.073)	-0.046+ (0.026)	-0.014 (0.074)
Midlands	0.076 (0.068)	-0.326*** (0.066)	0.073** (0.024)	-0.118+ (0.067)
Northern Ireland	-0.447 (0.768)	0.295 (0.414)	-0.268 (0.199)	-0.017 (0.446)
South-West	0.036 (0.078)	-0.274*** (0.078)	0.144*** (0.028)	-0.005 (0.079)

East	-0.210** (0.081)	-0.342*** (0.078)	0.028 (0.029)	-0.051 (0.078)
Demographics				
Age	-0.022*** (0.005)	0.045*** (0.010)	0.014** (0.005)	-0.048*** (0.009)
Log income	0.010 (0.007)	-0.064*** (0.006)	-0.009*** (0.003)	0.031*** (0.006)
No children	-0.115*** (0.013)	-0.154*** (0.012)	-0.016*** (0.004)	0.179*** (0.012)
Year	0.029*** (0.008)	-0.048*** (0.011)	-0.001 (0.005)	-0.024** (0.009)
Constant	2.295	5.528	2.150	5.300
R ² (within, between, overall)	0.005/0.009/0.004	0.009/0.016/0.013	0.021/0.015/0.014	0.015/0.070/0.050
N	102888	130102	171129	120756
Log-likelihood	-136209.0	-171190.6	-102038.7	-160649.3
BIC	272845.1	342817.0	204523.2	321743.2

Standard errors in parentheses
+ p<.10, * p<.05, ** p<.01, *** p<.001

Table A2.4 Random Effects Models (With Full Control Variables Shown) for Year 1 GHQ-12 by Year 2 Labour Market Status (Short-Term Unemployed)

	Model 1 (Year 1: <i>any other status</i>)	Model 2 (Year 1: <i>off benefits</i>)	Model 3 (Year 1: <i>in paid work</i>)
	Year 1 GHQ-12	Year 1 GHQ-12	Year 1 GHQ-12
Year 2 employment status (ref: ALMP)			
Unemployed	0.356 (0.509)	-0.251 (0.696)	-1.054 (0.846)
Controls			
Housing tenure (ref: own or mortgage)			
Part own	-2.837 (1.755)	-2.253 (1.761)	-3.603 (2.335)
Rent	0.170 (0.252)	0.230 (0.256)	0.614* (0.305)
Rent free/squat	-0.053 (0.889)	1.007 (0.941)	0.289 (1.131)
Other tenure	4.313 (3.535)	4.366 (3.376)	4.460 (4.010)
Marital status (ref: single)			
Married	-0.039 (0.342)	0.113 (0.350)	0.116 (0.405)
Separated	-2.297*** (0.609)	-1.519* (0.641)	-1.980* (0.771)
Divorced	-0.857+ (0.443)	-0.451 (0.461)	-0.213 (0.542)
Widowed	0.011 (1.017)	-0.445 (1.023)	-0.725 (1.296)
Highest qualification (ref: none)			
Higher education	0.180 (0.328)	-0.126 (0.335)	-0.629 (0.390)
A-level or equivalent	0.691+ (0.387)	0.597 (0.395)	0.173 (0.474)
GCSE or equivalent	0.776* (0.345)	0.305 (0.353)	-0.371 (0.419)
Apprentice	-0.464 (1.031)	0.024 (1.069)	-0.319 (1.188)
Other qualification	0.811+ (0.452)	0.544 (0.469)	-0.098 (0.549)
Region (ref: Yorkshire)			
North-East	-0.314 (0.683)	-0.659 (0.697)	-1.488+ (0.801)
London	0.063 (0.583)	0.201 (0.577)	-0.380 (0.666)
Scotland	0.322 (0.511)	0.423 (0.512)	0.175 (0.602)
South-East	-0.277 (0.549)	-0.312 (0.543)	-0.460 (0.621)
Wales	-0.777 (0.524)	-0.237 (0.532)	-0.671 (0.618)
North-West	0.662 (0.561)	0.810 (0.566)	0.642 (0.643)
Midlands	-0.514 (0.513)	-0.352 (0.512)	-0.713 (0.591)
Northern Ireland	-0.144 (0.613)	0.339 (0.635)	0.706 (0.769)
South-West	0.397 (0.612)	0.405 (0.606)	0.129 (0.680)
East	-0.072 (0.635)	-0.110 (0.626)	-0.520 (0.719)
Demographics			
Age	-0.274*** (0.064)	-0.282*** (0.066)	-0.172* (0.078)
Age-squared	0.003*** (0.001)	0.004*** (0.001)	0.002* (0.001)
Female	-1.623*** (0.229)	-1.640*** (0.232)	-1.850*** (0.271)
Log income	0.643*** (0.141)	0.442** (0.146)	0.584** (0.191)
No children	0.090 (0.248)	0.280 (0.252)	0.366 (0.295)

Constant	24.644	26.375	24.172
R ² (within, between, overall)	0.014/0.062/0.060	0.013/0.053/0.053	0.023/0.061/0.061
N	3272	2849	1943

Standard errors in parentheses

+ p<.10, * p<.05, ** p<.01, *** p<.001

Table A2.5 Random Effects Models (With Full Control Variables Shown) for (a) GHQ-12 Change and (b) Year 2 GHQ-12 by Year 2 Labour Market Status (Short-Term Unemployed)

	Model 4 (Year 1: <i>any other status</i>)	Model 5 (Year 1: <i>any other status</i>)	Model 6 (Year 1: <i>off benefits</i>)	Model 7 (Year 1: <i>off benefits</i>)	Model 8 (Year 1: <i>in paid work</i>)	Model 9 (Year 1: <i>in paid work</i>)
	GHQ-12 change Y1-Y2	GHQ-12 Year 2	GHQ-12 change Y1-Y2	GHQ-12 Year 2	GHQ-12 change Y1-Y2	GHQ-12 Year 2
Employment status at Year 2 (ref: ALMP)						
Unemployed	-2.288*** (0.594)	-1.847*** (0.540)	-1.239 (0.823)	-1.369+ (0.787)	2.463* (1.030)	-0.977 (1.002)
Controls						
Housing tenure (ref: own or mortgage)						
Part own	0.312 (1.752)	-1.159 (1.669)	0.920 (1.845)	-1.332 (1.795)	1.151 (2.095)	-2.800 (2.078)
Rent	-0.146 (0.286)	-0.338 (0.281)	-0.513+ (0.304)	-0.325 (0.302)	-1.036** (0.370)	-0.337 (0.371)
Rent free/squat	-0.353 (0.951)	-1.151 (0.896)	-0.521 (1.032)	-0.798 (0.999)	1.040 (1.326)	-0.675 (1.310)
Other tenure	-1.120 (2.844)	1.209 (2.669)	-0.853 (2.805)	2.009 (2.724)	-1.731 (3.453)	1.295 (3.456)
Marital status (ref: single)						
Married	0.113 (0.378)	0.164 (0.376)	0.057 (0.400)	0.125 (0.401)	-0.082 (0.479)	-0.063 (0.486)
Separated	-0.011 (0.676)	-1.535* (0.656)	-0.293 (0.716)	-1.702* (0.706)	-0.091 (0.875)	-1.994* (0.877)
Divorced	0.675 (0.484)	-0.216 (0.480)	0.728 (0.524)	0.041 (0.525)	-0.164 (0.644)	-0.511 (0.654)
Widowed	0.411 (1.131)	0.400 (1.118)	0.521 (1.178)	0.014 (1.173)	-0.340 (1.519)	-0.934 (1.535)
Highest qualification (ref: none)						
Higher education	0.136 (0.363)	0.656+ (0.363)	0.318 (0.387)	0.493 (0.392)	0.226 (0.469)	-0.106 (0.479)
A-Level or equivalent	0.432 (0.456)	1.025* (0.454)	0.386 (0.485)	0.886+ (0.488)	0.584 (0.579)	1.030+ (0.588)
GCSE or equivalent	-0.112 (0.396)	0.692+ (0.396)	0.204 (0.421)	0.569 (0.427)	0.097 (0.513)	-0.096 (0.523)
Apprentice	1.091 (1.167)	0.594 (1.180)	0.917 (1.260)	1.000 (1.290)	0.432 (1.472)	0.508 (1.487)
Other qualification	-0.143 (0.520)	0.577 (0.520)	-0.058 (0.555)	0.380 (0.562)	0.091 (0.672)	-0.048 (0.683)
Region (ref: Yorkshire)						
North-East	0.901 (0.766)	0.682 (0.779)	0.636 (0.815)	0.132 (0.833)	1.308 (0.957)	0.194 (0.986)
London	-0.131 (0.653)	0.085 (0.660)	-0.531 (0.672)	-0.107 (0.684)	-0.228 (0.807)	-0.366 (0.828)
Scotland	-0.797 (0.571)	-0.281 (0.577)	-1.070+ (0.595)	-0.429 (0.606)	-1.071 (0.724)	-0.522 (0.742)
South-East	-1.012 (0.617)	-1.155+ (0.621)	-1.327* (0.633)	-1.412* (0.644)	-1.024 (0.753)	-1.214 (0.772)
Wales	-0.505 (0.584)	-1.114+ (0.590)	-1.103+ (0.615)	-1.137+ (0.627)	-0.678 (0.740)	-1.076 (0.759)
North-West	-0.842 (0.627)	-0.110 (0.634)	-1.360* (0.657)	-0.288 (0.668)	-0.858 (0.776)	0.160 (0.797)
Midlands	-0.193 (0.574)	-0.368 (0.581)	-0.513 (0.594)	-0.415 (0.607)	0.032 (0.705)	-0.265 (0.725)
Northern Ireland	0.305 (0.689)	0.274 (0.691)	0.032 (0.740)	0.589 (0.750)	-1.139 (0.929)	-0.051 (0.946)
South-West	-0.696 (0.688)	-0.442 (0.693)	-0.987 (0.709)	-0.557 (0.720)	-0.755 (0.821)	-0.627 (0.843)
East	-0.410 (0.706)	-0.246 (0.709)	-0.758 (0.720)	-0.608 (0.733)	-0.126 (0.859)	-0.380 (0.880)
Demographics						
Age	-0.125+ (0.074)	-0.447*** (0.073)	-0.109 (0.078)	-0.426*** (0.078)	-0.094 (0.097)	-0.309** (0.098)
Age-squared	0.002+ (0.001)	0.005*** (0.001)	0.001 (0.001)	0.005*** (0.001)	0.001 (0.001)	0.004** (0.001)
Female	0.726** (0.257)	-0.974*** (0.259)	0.940*** (0.270)	-0.778** (0.275)	0.731* (0.329)	-1.167*** (0.337)
Log income	-0.007 (0.133)	0.316* (0.127)	-0.017 (0.137)	0.375** (0.133)	0.031 (0.163)	0.517** (0.160)

No children	-0.012 (0.286)	-0.086 (0.276)	-0.129 (0.300)	-0.179 (0.295)	0.161 (0.363)	0.109 (0.360)
Constant	3.152	30.868	0.838	29.844	-0.217	26.531
R ² (within, between, overall)	0.020/0.012/0.013	0.022/0.045/0.044	0.001/0.016/0.014	0.014/0.039/0.038	0.002/0.023/0.021	0.026/0.042/0.041
N	3272	3272	2849	2849	1943	1943

Standard errors in parentheses
+ p<.10, * p<.05, ** p<.01, *** p<.001

Table A2.6 Random Effects Models (With Full Control Variables Shown) for Year 1 GHQ-12 by Year 2 Labour Market Status (Long-Term Unemployed)

	Model 7 (Year 1: <i>long-term unemployed</i>)	Model 8 (Year 1: <i>long-term unemployed</i>)
	Year 1 GHQ-12	Year 1 GHQ-12
Employment status at Year 2 (ref: ALMP)		
Long-term unemployed	0.508 (0.786)	-
Long-term unemployed (2-3 years)	-	0.416 (0.790)
Long-term unemployed (3-4 years)	-	0.651 (0.819)
Long-term unemployed (4-5 years)	-	0.983 (0.866)
Long-term unemployed (5+ years)	-	0.418 (0.940)
Controls		
Housing tenure (ref: own or mortgage)		
Part own	1.648 (3.888)	1.637 (3.894)
Rent	0.553 (0.387)	0.512 (0.389)
Rent free/squat	0.401 (1.151)	0.330 (1.153)
Other tenure	3.305 (2.890)	3.198 (2.895)
Marital status (ref: single)		
Married	-0.330 (0.502)	-0.320 (0.502)
Separated	-2.846*** (0.827)	-2.858*** (0.827)
Divorced	-1.735** (0.649)	-1.742** (0.649)
Widowed	-1.345 (1.564)	-1.345 (1.565)
Highest qualification (ref: none)		
Higher education	-0.084 (0.500)	-0.078 (0.500)
A-Level or equivalent	0.475 (0.643)	0.487 (0.643)
GCSE or equivalent	0.359 (0.499)	0.368 (0.499)
Apprentice	-1.027 (1.319)	-0.985 (1.320)
Other qualification	0.515 (0.621)	0.525 (0.621)
Region (ref: Yorkshire)		
North-East	1.932+ (1.065)	1.909+ (1.065)
London	1.313 (0.870)	1.303 (0.870)
Scotland	0.145 (0.784)	0.154 (0.784)
South-East	0.426 (0.920)	0.423 (0.920)
Wales	-0.510 (0.803)	-0.507 (0.803)
North-West	0.448 (0.839)	0.430 (0.839)
Midlands	0.530 (0.783)	0.530 (0.783)
Northern Ireland	1.288 (0.845)	1.295 (0.845)
South-West	-1.706 (1.086)	-1.691 (1.086)
East	1.103 (1.060)	1.096 (1.060)
Demographics		
Age	-0.325*** (0.097)	-0.328*** (0.097)

Age-squared	0.004*** (0.001)	0.004*** (0.001)
Female	-1.568*** (0.389)	-1.529*** (0.390)
Log income	-0.050 (0.195)	-0.057 (0.196)
No children	-0.176 (0.378)	-0.177 (0.378)
Constant	29.514	29.642
R ² (within, between, overall)	0.002/0.072/0.087	0.004/0.072/0.088
N	1705	1705

Standard errors in parentheses
+ p<.10, * p<.05, ** p<.01, *** p<.001

Table A2.7 Random Effects Models (With Full Control Variables Shown) for (a) GHQ-12 Change and (b) Year 2 GHQ-12 by Year 2 Labour Market Status (Long-Term Unemployed)

	Model 9 (Year 1: <i>long-term unemployed</i>)	Model 10 (Year 1: <i>long-term unemployed</i>)	Model 11 (Year 1: <i>long-term unemployed</i>)	Model 12 (Year 1: <i>long-term unemployed</i>)
	GHQ-12 change Y1-Y2	GHQ-12 Year 2	GHQ-12 change Y1-Y2	GHQ Year 2
Employment status at T1 (ref: ALMP)				
Long-term unemployed	-2.700** (0.869)	-2.255** (0.794)		
Long-term unemployed (2-3 years)			-2.756** (0.878)	-2.330** (0.798)
Long-term unemployed (3-4 years)			-2.517** (0.916)	-2.098* (0.823)
Long-term unemployed (4-5 years)			-2.627** (0.984)	-1.861* (0.865)
Long-term unemployed (5+ years)			-2.943** (1.087)	-2.531** (0.930)
Controls				
Housing tenure (ref: own or mortgage)				
Part own	-0.792 (3.692)	0.119 (3.285)	-0.756 (3.696)	0.198 (3.289)
Rent	0.189 (0.368)	0.887* (0.419)	0.180 (0.371)	0.857* (0.421)
Rent free/squat	0.930 (1.135)	2.567* (1.067)	0.920 (1.137)	2.556* (1.069)
Other tenure	-1.661 (3.228)	2.747 (2.855)	-1.695 (3.231)	2.588 (2.859)
Marital status (ref: single)				
Married	-0.010 (0.464)	-0.876 (0.541)	-0.006 (0.465)	-0.844 (0.542)
Separated	0.115 (0.799)	-3.049*** (0.846)	0.106 (0.800)	-3.037*** (0.846)
Divorced	1.042+ (0.575)	-1.512* (0.664)	1.032+ (0.576)	-1.518* (0.664)
Widowed	-0.435 (1.499)	-2.170 (1.602)	-0.448 (1.501)	-2.169 (1.602)
Highest qualification (ref: none)				
Higher education	-0.423 (0.443)	-0.040 (0.513)	-0.413 (0.444)	-0.048 (0.513)
A-Level or equivalent	0.208 (0.604)	0.789 (0.698)	0.218 (0.606)	0.797 (0.698)
GCSE or equivalent	0.102 (0.457)	0.815 (0.553)	0.105 (0.457)	0.800 (0.553)
Apprentice	0.447 (1.188)	-0.636 (1.392)	0.468 (1.190)	-0.582 (1.392)
Other qualification	0.354 (0.546)	0.882 (0.656)	0.362 (0.547)	0.870 (0.656)
Region (ref: Yorkshire)				
North-East	0.447 (0.921)	2.595* (1.151)	0.447 (0.924)	2.578* (1.151)
London	0.170 (0.783)	1.775+ (0.936)	0.164 (0.785)	1.754+ (0.936)
Scotland	-0.211 (0.709)	-0.147 (0.843)	-0.205 (0.710)	-0.142 (0.843)
South-East	-0.268 (0.841)	0.247 (1.001)	-0.259 (0.842)	0.247 (1.000)
Wales	-0.310 (0.731)	-0.726 (0.861)	-0.301 (0.732)	-0.727 (0.860)
North-West	0.548 (0.754)	1.276 (0.909)	0.547 (0.756)	1.254 (0.909)
Midlands	0.167 (0.708)	0.601 (0.842)	0.175 (0.710)	0.598 (0.842)
Northern Ireland	-0.146 (0.763)	0.961 (0.909)	-0.139 (0.765)	0.961 (0.908)
South-West	0.386 (1.004)	-1.005 (1.173)	0.401 (1.005)	-0.999 (1.172)
East	-0.144 (0.956)	0.591 (1.136)	-0.140 (0.958)	0.571 (1.136)
Demographics				

Age	-0.034 (0.090)	-0.378*** (0.105)	-0.035 (0.090)	-0.382*** (0.105)
Age-squared	0.001 (0.001)	0.005*** (0.001)	0.001 (0.001)	0.005*** (0.001)
Female	-0.130 (0.358)	-1.769*** (0.417)	-0.113 (0.361)	-1.733*** (0.418)
Log income	0.252 (0.205)	0.180 (0.209)	0.253 (0.206)	0.173 (0.210)
No children	0.307 (0.371)	-0.277 (0.409)	0.306 (0.371)	-0.266 (0.409)
Constant	0.834	30.846	0.839	30.992
R ² (within, between, overall)	0.011/0.018/0.014	0.029/0.072/0.09	0.008/0.018/0.014	0.030/0.072/0.091
N	1705	1705	1705	1705

Standard errors in parentheses
+ p<.10, * p<.05, ** p<.01, *** p<.001

Table A2.8 Random Effects Models (With Full Control Variables Shown) for Year 1 GHQ-12 by Year 2 Labour Market Status (Non-Unemployed)

	Model 13 (Year 2: <i>off benefits</i>)	Model 14 (Year 2: <i>in paid work</i>)
	GHQ-12 Year 1	GHQ-12 Year 2
Employment status at Year 1 (ref: ALMP)		
Unemployed	-1.957*** (0.558)	-2.346*** (0.642)
Controls		
Housing tenure (ref: own or mortgage)		
Part own	-2.516 (1.925)	-2.204 (2.192)
Rent	-0.266 (0.260)	-0.401 (0.327)
Rent free/squat	-0.674 (0.845)	-0.387 (1.069)
Other tenure	0.375 (3.200)	0.106 (3.318)
Marital status (ref: single)		
Married	-0.123 (0.342)	-0.282 (0.440)
Separated	-1.305* (0.660)	-1.467+ (0.869)
Divorced	0.206 (0.458)	0.143 (0.589)
Widowed	-0.597 (1.024)	-1.290 (1.647)
Highest qualification (ref: none)		
Higher education	0.046 (0.340)	-0.289 (0.444)
A-Level or equivalent	0.385 (0.422)	-0.067 (0.543)
GCSE or equivalent	0.274 (0.364)	-0.153 (0.489)
Apprentice	1.021 (1.059)	0.843 (1.408)
Other qualification	0.015 (0.473)	-0.499 (0.619)
Region (ref: Yorkshire)		
North-East	1.190 (0.744)	0.797 (0.926)
London	0.551 (0.595)	0.959 (0.746)
Scotland	0.145 (0.527)	0.480 (0.679)
South-East	-0.719 (0.562)	-0.632 (0.699)
Wales	0.104 (0.540)	0.275 (0.686)
North-West	0.624 (0.577)	1.081 (0.719)
Midlands	0.605 (0.526)	1.097+ (0.663)
Northern Ireland	1.832** (0.641)	2.610** (0.859)
South-West	0.507 (0.611)	0.536 (0.759)
East	0.348 (0.620)	0.906 (0.783)
Demographics		
Age	-0.352*** (0.062)	-0.189* (0.087)
Age-squared	0.004*** (0.001)	0.002+ (0.001)
Female	-0.942*** (0.235)	-0.796** (0.300)
Log income	0.417*** (0.123)	0.258+ (0.147)
No children	0.324 (0.254)	0.268 (0.311)

Constant	28.297	27.360
R ² (within, between, overall)	0.007/0.049/0.045	0.004/0.044/0.042
n	3394	2289

Standard errors in parentheses
+ p<.10, * p<.05, ** p<.01, *** p<.001

Table A2.9 Random Effects Models (With Full Control Variables Shown) for (a) GHQ-12 Change and (b) Year 2 GHQ-12 by Year Labour Market Status (Non-Unemployed)

	Model 15 (Year 2: <i>off benefits</i>)	Model 16 (Year 2: <i>off benefits</i>)	Model 17 (Year 2: <i>in paid work</i>)	Model 8 (Year 2: <i>in paid work</i>)
	GHQ-12 change Y1-Y2	GHQ-12 Year 2	GHQ-12 change Y1-Y2	GHQ-12 Year 2
Employment status at Year 1 (ref: ALMP)				
Unemployed	1.427* (0.581)	-0.588 (0.492)	1.586* (0.663)	-0.701 (0.529)
Controls				
Housing tenure (ref: own or mortgage)				
Part own	2.360 (2.203)	1.392 (1.865)	0.742 (3.004)	4.412+ (2.435)
Rent	0.361 (0.263)	-0.257 (0.229)	0.459 (0.329)	-0.255 (0.266)
Rent free/squat	-0.627 (0.931)	-0.087 (0.790)	-0.245 (1.155)	0.259 (0.927)
Other tenure	-0.159 (2.955)	0.767 (2.530)	3.478 (3.363)	4.630+ (2.726)
Marital status (ref: single)				
Married	-0.143 (0.339)	-0.246 (0.298)	-0.145 (0.440)	-0.162 (0.357)
Separated	-1.220+ (0.733)	-2.609*** (0.623)	-0.570 (0.972)	-1.928* (0.781)
Divorced	-0.332 (0.449)	-0.424 (0.396)	0.006 (0.591)	0.116 (0.480)
Widowed	-0.405 (1.056)	-0.234 (0.924)	-1.132 (1.756)	-0.292 (1.432)
Highest qualification (ref: none)				
Higher education	0.153 (0.340)	0.320 (0.300)	-0.087 (0.455)	-0.239 (0.371)
A-Level or equivalent	-0.208 (0.429)	0.278 (0.378)	-0.499 (0.561)	-0.366 (0.458)
GCSE or equivalent	-0.043 (0.374)	0.106 (0.331)	0.056 (0.511)	-0.330 (0.417)
Apprentice	-0.972 (1.035)	0.422 (0.947)	-1.170 (1.429)	-0.582 (1.159)
Other qualification	0.546 (0.479)	0.200 (0.422)	0.402 (0.650)	-0.482 (0.531)
Region (ref: Yorkshire)				
North-East	-0.361 (0.729)	0.612 (0.655)	-0.566 (0.929)	-0.065 (0.763)
London	-0.425 (0.580)	-0.221 (0.522)	-0.700 (0.741)	-0.076 (0.609)
Scotland	0.485 (0.518)	0.449 (0.466)	0.138 (0.678)	0.271 (0.558)
South-East	0.578 (0.551)	-0.138 (0.496)	0.333 (0.696)	-0.369 (0.573)
Wales	-0.062 (0.530)	-0.225 (0.477)	-0.279 (0.684)	-0.432 (0.563)
North-West	-0.716 (0.565)	-0.274 (0.508)	-0.684 (0.716)	0.106 (0.590)
Midlands	-0.523 (0.515)	0.041 (0.463)	-0.747 (0.658)	0.197 (0.542)
Northern Ireland	-1.334* (0.634)	0.319 (0.564)	-1.538+ (0.856)	0.812 (0.703)
South-West	0.591 (0.602)	0.589 (0.539)	0.441 (0.755)	0.463 (0.621)
East	-0.002 (0.614)	0.355 (0.554)	-0.306 (0.787)	0.253 (0.647)
Demographics				
Age	0.227*** (0.064)	-0.132* (0.056)	0.090 (0.092)	-0.147* (0.074)
Age-squared	-0.003*** (0.001)	0.001* (0.001)	-0.001 (0.001)	0.002+ (0.001)
Female	-0.656** (0.232)	-1.590*** (0.207)	-0.670* (0.300)	-1.491*** (0.246)
Log income	0.361* (0.150)	0.291* (0.128)	0.361+ (0.206)	0.118 (0.165)
No children	0.601* (0.264)	0.668** (0.227)	0.332 (0.326)	0.493+ (0.262)

Constant	-6.174	26.599	-3.623	28.902
R ² (within, between, overall)	0.005/0.025/0.01	0.000/0.055/0.051	0.003/0.021/0.018	0.001/0.043/0.038
N	3394	3394	2289	2289

Standard errors in parentheses
+ p<.10, * p<.05, ** p<.01, *** p<.001

Appendix Three

Table A3.1 OLS Regressions (With Full Control Variables Shown) of Well-Being by ALMP Type (a)

	Model 1	Model 2	Model 3	Model 4
	Life satisfaction	Life worth	Happiness	Anxiety
Current employment status (ref: unemployed)				
Work-oriented ALMP	0.566*** (0.117)	0.553*** (0.113)	0.259+ (0.146)	0.218 (0.192)
Employment-assistance ALMP	0.064 (0.070)	0.052 (0.068)	0.295*** (0.087)	-0.054 (0.115)
Other ALMP	0.190** (0.072)	0.284*** (0.069)	0.124 (0.089)	-0.107 (0.118)
Employed	0.913*** (0.016)	0.654*** (0.015)	0.410*** (0.019)	0.407*** (0.025)
Self-employed	0.883*** (0.019)	0.762*** (0.018)	0.457*** (0.023)	0.377*** (0.031)
Retired	1.177*** (0.023)	0.689*** (0.022)	0.760*** (0.028)	0.816*** (0.038)
Sick/disabled	-0.028 (0.021)	-0.333*** (0.020)	-0.337*** (0.026)	-0.428*** (0.035)
Family care	0.856*** (0.021)	0.821*** (0.020)	0.465*** (0.026)	0.437*** (0.034)
Student	0.944*** (0.026)	0.774*** (0.026)	0.439*** (0.033)	0.035 (0.043)
Unpaid family work	0.844*** (0.077)	0.655*** (0.074)	0.552*** (0.095)	0.172 (0.126)
Other status	0.780*** (0.028)	0.424*** (0.027)	0.402*** (0.034)	0.362*** (0.045)
Controls				
Housing tenure (ref: own outright)				
Mortgage	-0.153*** (0.011)	-0.051*** (0.010)	-0.104*** (0.013)	-0.127*** (0.017)
Part own	-0.234*** (0.047)	-0.070 (0.045)	-0.083 (0.058)	-0.140+ (0.076)
Rent	-0.335*** (0.012)	-0.155*** (0.011)	-0.226*** (0.014)	-0.236*** (0.019)
Rent free/squat	-0.094* (0.039)	0.080* (0.038)	0.022 (0.049)	-0.054 (0.064)
Marital status (ref: single)				
Married	0.487*** (0.009)	0.358*** (0.009)	0.398*** (0.012)	0.149*** (0.016)
Separated	-0.236*** (0.019)	-0.013 (0.019)	-0.109*** (0.024)	-0.145*** (0.032)
Divorced	-0.040** (0.013)	0.038** (0.013)	-0.005 (0.017)	-0.046* (0.022)
Widowed	-0.379*** (0.026)	-0.095*** (0.025)	-0.222*** (0.032)	-0.086* (0.043)
Highest qualification (ref: none)				
Higher education	0.043** (0.014)	0.235*** (0.013)	0.076*** (0.017)	-0.111*** (0.023)
A-Level or equivalent	0.013 (0.014)	0.161*** (0.014)	0.048** (0.018)	0.026 (0.024)
GCSE or equivalent	-0.033* (0.014)	0.110*** (0.014)	0.024 (0.018)	0.074** (0.024)
Other qualification	0.011 (0.016)	0.071*** (0.016)	0.061** (0.020)	0.041 (0.027)
Ethnicity (ref: white)				
Mixed race	-0.219*** (0.037)	-0.002 (0.035)	-0.041 (0.046)	-0.179** (0.060)
Indian	-0.118*** (0.024)	-0.121*** (0.023)	0.035 (0.029)	-0.198*** (0.039)
Pakistani	-0.185*** (0.031)	-0.225*** (0.030)	-0.159*** (0.039)	-0.174*** (0.051)
Bangladeshi	-0.330*** (0.049)	-0.272*** (0.047)	-0.055 (0.061)	-0.124 (0.081)

Chinese	-0.172*** (0.044)	-0.258*** (0.043)	0.060 (0.055)	0.020 (0.073)
Other Asian	-0.004 (0.035)	-0.170*** (0.034)	0.071+ (0.043)	-0.092 (0.057)
Black	-0.447*** (0.022)	-0.089*** (0.021)	-0.117*** (0.027)	0.141*** (0.036)
Arab	-0.210*** (0.062)	-0.300*** (0.060)	-0.329*** (0.077)	-0.316** (0.101)
Other ethnicity	-0.152*** (0.032)	-0.215*** (0.031)	-0.093* (0.040)	-0.204*** (0.053)
Region (ref: Yorkshire)				
Merseyside	-0.089*** (0.026)	-0.050* (0.025)	-0.151*** (0.033)	-0.137** (0.043)
London	-0.074*** (0.015)	-0.125*** (0.015)	0.002 (0.019)	-0.203*** (0.025)
North-West	-0.019 (0.016)	-0.025 (0.016)	0.006 (0.020)	-0.016 (0.027)
North-East	0.030 (0.020)	-0.008 (0.019)	-0.023 (0.025)	-0.020 (0.033)
East Midlands	-0.016 (0.017)	-0.034* (0.017)	0.036+ (0.021)	-0.004 (0.028)
Wales	-0.012 (0.020)	0.007 (0.019)	0.047+ (0.024)	0.023 (0.032)
South-East	-0.007 (0.015)	-0.028+ (0.014)	0.006 (0.018)	-0.027 (0.024)
West Midlands	-0.070*** (0.017)	-0.109*** (0.016)	-0.022 (0.021)	0.168*** (0.027)
South-West	0.016 (0.017)	-0.022 (0.016)	0.016 (0.021)	0.014 (0.027)
East	-0.023 (0.016)	-0.056*** (0.016)	0.033 (0.020)	0.015 (0.026)
Scotland	0.086*** (0.016)	-0.004 (0.016)	0.072*** (0.020)	0.113*** (0.027)
Demographics				
Age	-0.101*** (0.002)	-0.053*** (0.002)	-0.073*** (0.003)	-0.070*** (0.004)
Age-squared	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)
Religious	0.114*** (0.008)	0.182*** (0.008)	0.148*** (0.010)	-0.063*** (0.013)
Female	0.115*** (0.007)	0.274*** (0.007)	0.072*** (0.009)	-0.228*** (0.012)
Good health	0.959*** (0.010)	0.688*** (0.009)	0.989*** (0.012)	1.106*** (0.016)
Year: 2013	0.040*** (0.007)	0.030*** (0.007)	0.013 (0.009)	0.092*** (0.011)
Constant	7.813	7.034	7.240	7.299
R ²	0.164	0.120	0.0851	0.0530
Adjusted R ²	0.164	0.120	0.0849	0.0529
N	241180	241180	241180	241180
Log-likelihood	-470384.3	-462113.2	-522945.9	-589826.9
BIC	941388.3	924846.1	1046511.4	1180273.5

Standard errors in parentheses

+ p<.10, * p<.05, ** p<.01, *** p<.001

Table A3.2 OLS Regressions (With Full Control Variables Shown) of Well-Being by ALMP Type (b)

	Model 5	Model 6	Model 7	Model 8
	Life satisfaction	Life worth	Happiness	Anxiety
Current employment status (ref: unemployed)				
ALMP participant in work	0.625*** (0.130)	0.243+ (0.126)	-0.199 (0.162)	-0.286 (0.213)
Work-oriented ALMP	0.376** (0.124)	0.479*** (0.119)	0.319* (0.154)	0.305 (0.203)
Employment-assistance ALMP	0.035 (0.070)	0.041 (0.068)	0.304*** (0.087)	-0.041 (0.115)
Other ALMP	0.055 (0.077)	0.232** (0.074)	0.167+ (0.096)	-0.046 (0.127)
Employed	0.913*** (0.016)	0.654*** (0.015)	0.410*** (0.019)	0.407*** (0.025)
Self-employed	0.883*** (0.019)	0.762*** (0.018)	0.457*** (0.023)	0.377*** (0.031)
Retired	1.177*** (0.023)	0.689*** (0.022)	0.760*** (0.028)	0.816*** (0.038)
Sick/disabled	-0.029 (0.021)	-0.333*** (0.020)	-0.336*** (0.026)	-0.428*** (0.035)
Family care	0.856*** (0.021)	0.821*** (0.020)	0.465*** (0.026)	0.437*** (0.034)
Student	0.945*** (0.026)	0.774*** (0.026)	0.439*** (0.033)	0.034 (0.043)
Unpaid family work	0.844*** (0.077)	0.655*** (0.074)	0.552*** (0.095)	0.172 (0.126)
Other status	0.780*** (0.028)	0.424*** (0.027)	0.402*** (0.034)	0.362*** (0.045)
Housing tenure (ref: own outright)				
Mortgage	-0.153*** (0.011)	-0.051*** (0.010)	-0.104*** (0.013)	-0.127*** (0.017)
Part own	-0.234*** (0.047)	-0.070 (0.045)	-0.083 (0.058)	-0.141+ (0.076)
Rent	-0.335*** (0.012)	-0.155*** (0.011)	-0.226*** (0.014)	-0.236*** (0.019)
Rent free/squat	-0.093* (0.039)	0.081* (0.038)	0.021 (0.049)	-0.055 (0.064)
Marital status (ref: single)				
Married	0.487*** (0.009)	0.358*** (0.009)	0.398*** (0.012)	0.149*** (0.016)
Separated	-0.236*** (0.019)	-0.013 (0.019)	-0.109*** (0.024)	-0.145*** (0.032)
Divorced	-0.040** (0.013)	0.038** (0.013)	-0.005 (0.017)	-0.046* (0.022)
Widowed	-0.380*** (0.026)	-0.095*** (0.025)	-0.222*** (0.032)	-0.086* (0.043)
Highest qualification (ref: none)				
Higher education	0.042** (0.014)	0.234*** (0.013)	0.077*** (0.017)	-0.111*** (0.023)
A-Level or equivalent	0.012 (0.014)	0.161*** (0.014)	0.048*** (0.018)	0.027 (0.024)
GCSE or equivalent	-0.033* (0.014)	0.110*** (0.014)	0.024 (0.018)	0.074** (0.024)
Other qualification	0.010 (0.016)	0.071*** (0.016)	0.061** (0.020)	0.041 (0.027)
Ethnicity (ref: white)				
Mixed race	-0.219*** (0.037)	-0.002 (0.035)	-0.041 (0.046)	-0.179** (0.060)
Indian	-0.117*** (0.024)	-0.121*** (0.023)	0.034 (0.029)	-0.198*** (0.039)
Pakistani	-0.185*** (0.031)	-0.225*** (0.030)	-0.159*** (0.039)	-0.174*** (0.051)
Bangladeshi	-0.329*** (0.049)	-0.272*** (0.047)	-0.055 (0.061)	-0.124 (0.081)
Chinese	-0.172*** (0.044)	-0.258*** (0.043)	0.060 (0.055)	0.020 (0.073)
Other Asian	-0.003 (0.035)	-0.170*** (0.034)	0.071+ (0.043)	-0.092 (0.057)
Black	-0.447*** (0.022)	-0.089*** (0.021)	-0.117*** (0.027)	0.141*** (0.036)
Arab	-0.213*** (0.062)	-0.302*** (0.060)	-0.328*** (0.077)	-0.315** (0.101)

Other ethnicity	-0.152*** (0.032)	-0.215*** (0.031)	-0.093* (0.040)	-0.204*** (0.053)
Region (ref: Yorkshire)				
Merseyside	-0.090*** (0.026)	-0.050* (0.025)	-0.150*** (0.033)	-0.137** (0.043)
London	-0.075*** (0.015)	-0.125*** (0.015)	0.002 (0.019)	-0.202*** (0.025)
North-West	-0.019 (0.016)	-0.025 (0.016)	0.006 (0.020)	-0.016 (0.027)
North-East	0.030 (0.020)	-0.008 (0.019)	-0.023 (0.025)	-0.020 (0.033)
East Midlands	-0.016 (0.017)	-0.034* (0.017)	0.036+ (0.021)	-0.003 (0.028)
Wales	-0.012 (0.020)	0.007 (0.019)	0.047+ (0.024)	0.023 (0.032)
South-East	-0.007 (0.015)	-0.028+ (0.014)	0.006 (0.018)	-0.026 (0.024)
West Midlands	-0.070*** (0.017)	-0.109*** (0.016)	-0.022 (0.021)	0.168*** (0.027)
South-West	0.015 (0.017)	-0.023 (0.016)	0.017 (0.021)	0.014 (0.027)
East	-0.023 (0.016)	-0.056*** (0.016)	0.033 (0.020)	0.015 (0.026)
Scotland	0.086*** (0.016)	-0.004 (0.016)	0.072*** (0.020)	0.113*** (0.027)
Demographics				
Age	-0.101*** (0.002)	-0.053*** (0.002)	-0.073*** (0.003)	-0.070*** (0.004)
Age-squared	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)
Religious	0.114*** (0.008)	0.182*** (0.008)	0.148*** (0.010)	-0.063*** (0.013)
Female	0.115*** (0.007)	0.274*** (0.007)	0.072*** (0.009)	-0.228*** (0.012)
Good health	0.959*** (0.010)	0.688*** (0.009)	0.989*** (0.012)	1.106*** (0.016)
Year: 2013	0.040*** (0.007)	0.030*** (0.007)	0.013 (0.009)	0.092*** (0.011)
Constant	7.811	7.034	7.240	7.300
R ²	0.164	0.120	0.0851	0.0531
Adjusted R ²	0.164	0.120	0.0850	0.0529
N	241180	241180	241180	241180
Log-likelihood	-470372.7	-462111.4	-522945.1	-589826.0
BIC	941377.5	924854.8	1046522.3	1180284.1

Standard errors in parentheses

+ p<.10, * p<.05, ** p<.01, *** p<.001

Table A3.3 OLS Regressions (With Full Control Variables Shown) of Well-Being for Men Only

	Model 1	Model 2	Model 3	Model 4
	Life satisfaction	Life worth	Happiness	Anxiety
Current employment status (ref: unemployed)				
ALMP	0.227*** (0.063)	0.288*** (0.061)	0.404*** (0.077)	-0.043 (0.100)
Employed	1.040*** (0.022)	0.771*** (0.022)	0.524*** (0.027)	0.486*** (0.035)
Self-employed	0.954*** (0.026)	0.849*** (0.025)	0.529*** (0.032)	0.386*** (0.041)
Retired	1.301*** (0.035)	0.828*** (0.034)	0.923*** (0.043)	0.927*** (0.056)
Sick/disabled	0.011 (0.030)	-0.257*** (0.030)	-0.308*** (0.037)	-0.426*** (0.049)
Family care	0.763*** (0.050)	0.971*** (0.050)	0.468*** (0.062)	0.204* (0.081)
Student	1.020*** (0.039)	0.857*** (0.038)	0.559*** (0.047)	0.194** (0.062)
Unpaid family work	0.811*** (0.153)	0.644*** (0.150)	0.739*** (0.188)	0.087 (0.245)
Other status	0.758*** (0.042)	0.421*** (0.042)	0.425*** (0.052)	0.303*** (0.068)
Controls				
Housing tenure (ref: own outright)				
Mortgage	-0.119*** (0.016)	-0.051** (0.016)	-0.080*** (0.020)	-0.128*** (0.026)
Part own	-0.063 (0.073)	-0.034 (0.071)	-0.049 (0.089)	-0.053 (0.116)
Rent	-0.265*** (0.017)	-0.151*** (0.017)	-0.152*** (0.021)	-0.229*** (0.028)
Rent free/squat	0.069 (0.055)	0.222*** (0.054)	0.097 (0.068)	-0.071 (0.088)
Marital status (ref: single)				
Married	0.460*** (0.014)	0.381*** (0.014)	0.356*** (0.017)	0.076*** (0.022)
Separated	-0.181*** (0.030)	0.001 (0.030)	-0.077* (0.037)	-0.139** (0.049)
Divorced	0.007 (0.021)	0.058** (0.020)	0.027 (0.026)	0.027 (0.033)
Widowed	-0.382*** (0.050)	-0.213*** (0.049)	-0.189** (0.061)	-0.070 (0.080)
Highest qualification (ref: none)				
Higher education	0.050* (0.022)	0.236*** (0.021)	0.013 (0.027)	-0.110** (0.035)
A-Level or equivalent	0.011 (0.022)	0.180*** (0.022)	-0.009 (0.027)	0.034 (0.035)
GCSE or equivalent	-0.040+ (0.023)	0.140*** (0.022)	-0.017 (0.028)	0.103** (0.037)
Other qualification	-0.013 (0.025)	0.112*** (0.025)	-0.013 (0.031)	0.052 (0.040)
Ethnicity (ref: white)				
Mixed race	-0.260*** (0.058)	-0.027 (0.057)	-0.032 (0.071)	-0.269** (0.092)
Indian	-0.088** (0.033)	-0.095** (0.032)	0.117** (0.040)	-0.174*** (0.053)
Pakistani	-0.295*** (0.044)	-0.357*** (0.043)	-0.261*** (0.054)	-0.324*** (0.071)
Bangladeshi	-0.399*** (0.066)	-0.351*** (0.065)	-0.115 (0.081)	-0.053 (0.106)
Chinese	-0.106 (0.066)	-0.176** (0.065)	0.019 (0.081)	-0.006 (0.105)
Other Asian	-0.070 (0.050)	-0.208*** (0.049)	-0.067 (0.062)	-0.142+ (0.081)
Black	-0.442*** (0.033)	-0.071* (0.032)	-0.080* (0.040)	0.061 (0.053)
Arab	-0.250*** (0.076)	-0.355*** (0.074)	-0.339*** (0.093)	-0.176 (0.121)
Other ethnicity	-0.188*** (0.047)	-0.184*** (0.046)	-0.074 (0.058)	-0.283*** (0.076)
Region (ref: Yorkshire)				

Merseyside	-0.133*** (0.040)	-0.113** (0.040)	-0.159** (0.049)	-0.140* (0.065)
London	-0.046* (0.023)	-0.084*** (0.022)	0.017 (0.028)	-0.249*** (0.037)
North-West	0.010 (0.025)	0.010 (0.024)	0.014 (0.030)	-0.036 (0.039)
North-East	0.072* (0.031)	0.026 (0.030)	-0.009 (0.038)	-0.085+ (0.049)
East Midlands	-0.022 (0.026)	-0.014 (0.025)	0.024 (0.032)	-0.102* (0.042)
Wales	-0.009 (0.030)	0.050+ (0.029)	0.006 (0.036)	-0.048 (0.048)
South-East	-0.024 (0.022)	-0.005 (0.022)	-0.031 (0.028)	-0.086* (0.036)
West Midlands	-0.066** (0.025)	-0.111*** (0.025)	-0.011 (0.031)	0.105** (0.041)
South-West	0.034 (0.025)	0.008 (0.025)	0.014 (0.031)	-0.050 (0.040)
East	-0.020 (0.024)	-0.033 (0.024)	0.024 (0.030)	-0.038 (0.039)
Scotland	0.092*** (0.025)	0.029 (0.024)	0.065* (0.031)	0.024 (0.040)
Demographics				
Age	-0.112*** (0.003)	-0.062*** (0.003)	-0.079*** (0.004)	-0.084*** (0.005)
Age-squared	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)
Religious	0.124*** (0.011)	0.201*** (0.011)	0.152*** (0.014)	-0.115*** (0.018)
Female	0.000 (.)	0.000 (.)	0.000 (.)	0.000 (.)
Good health	0.977*** (0.015)	0.744*** (0.015)	0.960*** (0.018)	1.012*** (0.024)
Year: 2013	0.036*** (0.010)	0.027** (0.010)	-0.001 (0.013)	0.078*** (0.017)
Constant	7.826	6.996	7.298	7.604
R ²	0.175	0.131	0.0868	0.0529
Adjusted R ²	0.174	0.130	0.0864	0.0525
N	103650	103650	103650	103650
Log-likelihood	-201150.1	-199266.7	-222323.8	-250030.6
BIC	402843.1	399076.2	445190.4	500604.0

Standard errors in parentheses
+ p<.10, * p<.05, ** p<.01, *** p<.001

Table A3.4 OLS Regressions (With Full Control Variables Shown) of Well-Being for Women Only

	Model 1	Model 2	Model 3	Model 4
	Life satisfaction	Life worth	Happiness	Anxiety
Current employment status (ref: unemployed)				
ALMP	0.180* (0.074)	0.172* (0.071)	-0.055 (0.094)	-0.009 (0.124)
Employed	0.787*** (0.022)	0.523*** (0.021)	0.306*** (0.028)	0.357*** (0.037)
Self-employed	0.833*** (0.028)	0.671*** (0.027)	0.415*** (0.036)	0.430*** (0.048)
Retired	1.073*** (0.031)	0.555*** (0.030)	0.638*** (0.039)	0.790*** (0.052)
Sick/disabled	-0.093** (0.030)	-0.419*** (0.028)	-0.393*** (0.037)	-0.457*** (0.050)
Family care	0.759*** (0.025)	0.698*** (0.024)	0.380*** (0.032)	0.395*** (0.042)
Student	0.858*** (0.037)	0.671*** (0.035)	0.316*** (0.046)	-0.102+ (0.061)
Unpaid family work	0.780*** (0.088)	0.583*** (0.084)	0.414*** (0.111)	0.177 (0.147)
Other status	0.751*** (0.037)	0.383*** (0.035)	0.350*** (0.046)	0.392*** (0.061)
Housing tenure (ref: own outright)				
Mortgage	-0.186*** (0.014)	-0.054*** (0.014)	-0.125*** (0.018)	-0.131*** (0.024)
Part own	-0.365*** (0.061)	-0.104+ (0.058)	-0.104 (0.076)	-0.202* (0.101)
Rent	-0.397*** (0.016)	-0.161*** (0.015)	-0.285*** (0.020)	-0.237*** (0.026)
Rent free/squat	-0.261*** (0.056)	-0.071 (0.053)	-0.041 (0.070)	-0.027 (0.093)
Marital status (ref: single)				
Married	0.494*** (0.013)	0.328*** (0.012)	0.424*** (0.016)	0.199*** (0.022)
Separated	-0.289*** (0.025)	-0.037 (0.024)	-0.134*** (0.031)	-0.160*** (0.042)
Divorced	-0.078*** (0.018)	0.013 (0.017)	-0.028 (0.022)	-0.088** (0.030)
Widowed	-0.374*** (0.031)	-0.066* (0.029)	-0.216*** (0.038)	-0.043 (0.051)
Highest qualification (ref: none)				
Higher education	0.016 (0.018)	0.228*** (0.018)	0.108*** (0.023)	-0.147*** (0.031)
A-Level or equivalent	-0.006 (0.019)	0.139*** (0.019)	0.077** (0.025)	-0.022 (0.033)
GCSE or equivalent	-0.041* (0.018)	0.085*** (0.018)	0.044+ (0.023)	0.033 (0.031)
Other qualification	0.023 (0.022)	0.035+ (0.021)	0.108*** (0.027)	0.018 (0.036)
Ethnicity (ref: white)				
Mixed race	-0.184*** (0.047)	0.012 (0.045)	-0.040 (0.060)	-0.101 (0.079)
Indian	-0.158*** (0.034)	-0.161*** (0.032)	-0.064 (0.043)	-0.204*** (0.057)
Pakistani	-0.061 (0.045)	-0.080+ (0.043)	-0.040 (0.056)	0.027 (0.075)
Bangladeshi	-0.226** (0.074)	-0.164* (0.071)	0.036 (0.093)	-0.175 (0.124)
Chinese	-0.229*** (0.060)	-0.333*** (0.057)	0.101 (0.075)	0.053 (0.100)
Other Asian	0.068 (0.048)	-0.131** (0.046)	0.213*** (0.061)	-0.027 (0.081)
Black	-0.444*** (0.029)	-0.106*** (0.028)	-0.139*** (0.036)	0.220*** (0.048)
Arab	-0.106 (0.111)	-0.170 (0.106)	-0.331* (0.140)	-0.587** (0.186)
Other ethnicity	-0.112* (0.044)	-0.247*** (0.042)	-0.110* (0.056)	-0.118 (0.074)
Region (ref: Yorkshire)				
Merseyside	-0.046 (0.034)	0.003 (0.033)	-0.136** (0.043)	-0.126* (0.058)

London	-0.102*** (0.021)	-0.161*** (0.020)	-0.012 (0.026)	-0.161*** (0.035)
North-West	-0.042+ (0.022)	-0.053* (0.021)	0.002 (0.027)	0.005 (0.036)
North-East	-0.003 (0.027)	-0.035 (0.025)	-0.030 (0.033)	0.038 (0.044)
East Midlands	-0.010 (0.023)	-0.052* (0.022)	0.047 (0.029)	0.084* (0.038)
Wales	-0.013 (0.026)	-0.030 (0.025)	0.083* (0.032)	0.086* (0.043)
South-East	0.004 (0.020)	-0.045* (0.019)	0.035 (0.025)	0.022 (0.033)
West Midlands	-0.073*** (0.022)	-0.107*** (0.021)	-0.031 (0.028)	0.219*** (0.037)
South-West	-0.001 (0.022)	-0.047* (0.021)	0.016 (0.028)	0.068+ (0.037)
East	-0.025 (0.022)	-0.074*** (0.021)	0.039 (0.027)	0.059+ (0.036)
Scotland	0.083*** (0.022)	-0.032 (0.021)	0.080** (0.027)	0.196*** (0.036)
Demographics				
Age	-0.090*** (0.003)	-0.045*** (0.003)	-0.067*** (0.004)	-0.055*** (0.005)
Age-squared	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)
Religious	0.104*** (0.011)	0.163*** (0.010)	0.144*** (0.013)	-0.009 (0.018)
Female	0.000 (.)	0.000 (.)	0.000 (.)	0.000 (.)
Good health	0.941*** (0.013)	0.643*** (0.012)	1.008*** (0.016)	1.183*** (0.022)
Year: 2013	0.043*** (0.009)	0.031*** (0.009)	0.025* (0.012)	0.103*** (0.015)
Constant	7.940	7.370	7.299	6.777
R ²	0.155	0.0989	0.0843	0.0534
Adjusted R ²	0.155	0.0986	0.0840	0.0531
N	137530	137530	137530	137530
Log-likelihood	-269181.8	-262599.1	-300727.7	-339876.8
BIC	538919.6	525754.3	602011.4	680309.7

Standard errors in parentheses

+ p<.10, * p<.05, ** p<.01, *** p<.001

Table A3.5 OLS Regressions (With Full Control Variables Shown) of Well-Being for 18-33 Year-Olds Only

	Model 1	Model 2	Model 3	Model 4
	Life satisfaction	Life worth	Happiness	Anxiety
Current employment status (ref: unemployed)				
ALMP	0.299*** (0.072)	0.321*** (0.073)	0.164+ (0.094)	0.026 (0.124)
Employed	0.802*** (0.025)	0.612*** (0.025)	0.339*** (0.032)	0.397*** (0.043)
Self-employed	0.794*** (0.037)	0.774*** (0.037)	0.433*** (0.048)	0.266*** (0.064)
Retired	4.417 (3.310)	3.931 (3.355)	4.291 (4.339)	4.235 (5.727)
Sick	-0.413*** (0.054)	-0.377*** (0.055)	-0.499*** (0.071)	-0.772*** (0.094)
Family care	0.814*** (0.034)	0.856*** (0.034)	0.439*** (0.044)	0.486*** (0.058)
Student	0.881*** (0.033)	0.779*** (0.034)	0.396*** (0.044)	0.044 (0.058)
Unpaid family work	0.380* (0.190)	0.525** (0.193)	0.341 (0.249)	-0.183 (0.329)
Other status	0.519*** (0.058)	0.368*** (0.059)	0.084 (0.077)	-0.004 (0.101)
Controls				
Housing tenure (ref: own outright)				
Mortgage	0.054+ (0.030)	0.028 (0.031)	0.008 (0.040)	-0.008 (0.052)
Part own	0.124 (0.076)	0.205** (0.077)	0.178+ (0.100)	0.080 (0.132)
Rent	-0.155*** (0.029)	-0.081** (0.029)	-0.127*** (0.038)	-0.179*** (0.050)
Rent free/squat	-0.001 (0.068)	0.042 (0.069)	0.160+ (0.089)	-0.042 (0.118)
Marital status (ref: single)				
Married	0.445*** (0.018)	0.289*** (0.018)	0.357*** (0.024)	0.163*** (0.031)
Separated	-0.232*** (0.051)	0.057 (0.052)	-0.051 (0.067)	-0.075 (0.089)
Divorced	-0.014 (0.056)	0.085 (0.057)	-0.022 (0.073)	-0.242* (0.097)
Widowed	-0.059 (0.307)	0.129 (0.311)	0.586 (0.402)	0.711 (0.531)
Highest qualification				
Higher education	0.229*** (0.035)	0.382*** (0.035)	0.172*** (0.045)	-0.271*** (0.060)
A-Level or equivalent	0.240*** (0.035)	0.351*** (0.035)	0.138** (0.046)	-0.050 (0.061)
GCSE or equivalent	0.137*** (0.035)	0.330*** (0.036)	0.116* (0.046)	0.041 (0.061)
Other qualification	0.043 (0.040)	0.102* (0.040)	0.075 (0.052)	-0.029 (0.069)
Ethnicity (ref: white)				
Mixed race	-0.272*** (0.055)	-0.055 (0.056)	-0.008 (0.072)	-0.176+ (0.095)
Indian	-0.105** (0.040)	-0.091* (0.040)	0.032 (0.052)	-0.216** (0.069)
Pakistani	-0.299*** (0.049)	-0.272*** (0.049)	-0.161* (0.064)	-0.360*** (0.084)
Bangladeshi	-0.355*** (0.069)	-0.213** (0.070)	-0.089 (0.091)	-0.460*** (0.120)
Chinese	-0.136* (0.059)	-0.216*** (0.060)	0.094 (0.077)	0.029 (0.102)
Other Asian	-0.132* (0.061)	-0.262*** (0.062)	0.014 (0.080)	-0.106 (0.105)
Black	-0.608*** (0.039)	-0.195*** (0.039)	-0.322*** (0.051)	-0.122+ (0.067)
Arab	-0.462*** (0.093)	-0.363*** (0.094)	-0.504*** (0.122)	-0.437** (0.161)
Other ethnicity	-0.150** (0.052)	-0.225*** (0.052)	-0.091 (0.068)	-0.234** (0.090)
Region (ref: Yorkshire)				

Merseyside	0.023 (0.051)	0.080 (0.051)	-0.131* (0.066)	-0.178* (0.087)
London	-0.046+ (0.027)	-0.134*** (0.028)	0.023 (0.036)	-0.234*** (0.047)
North-West	-0.008 (0.030)	-0.012 (0.031)	0.073+ (0.040)	-0.023 (0.053)
North-East	0.039 (0.038)	0.041 (0.038)	-0.017 (0.049)	0.005 (0.065)
East Midlands	0.002 (0.033)	-0.051 (0.033)	0.040 (0.043)	0.046 (0.056)
Wales	-0.005 (0.037)	0.006 (0.038)	0.107* (0.049)	0.055 (0.064)
South-east	-0.011 (0.028)	-0.027 (0.028)	-0.033 (0.037)	-0.123* (0.049)
West Midlands	-0.098** (0.032)	-0.105** (0.032)	-0.011 (0.042)	0.238*** (0.055)
South-West	0.036 (0.032)	-0.008 (0.032)	0.017 (0.042)	-0.016 (0.055)
East	-0.003 (0.031)	-0.066* (0.031)	0.099* (0.040)	0.049 (0.053)
Scotland	0.103*** (0.031)	0.033 (0.032)	0.107** (0.041)	0.053 (0.054)
Demographics				
Age	-0.100*** (0.021)	-0.008 (0.021)	-0.075** (0.028)	-0.012 (0.036)
Age-squared	0.001** (0.000)	0.000 (0.000)	0.001* (0.001)	-0.000 (0.001)
Religious	0.082*** (0.014)	0.162*** (0.014)	0.132*** (0.019)	-0.005 (0.025)
Female	0.121*** (0.014)	0.273*** (0.014)	0.079*** (0.018)	-0.206*** (0.024)
Good health	0.936*** (0.022)	0.747*** (0.023)	1.079*** (0.029)	1.102*** (0.038)
Year: 2013	0.054*** (0.013)	0.041** (0.013)	0.047** (0.017)	0.097*** (0.023)
Constant	7.417	6.041	6.943	6.528
R ²	0.124	0.0886	0.0558	0.0371
Adjusted R ²	0.124	0.0878	0.0550	0.0363
N	56068	56068	56068	56068
Log-likelihood	-104956.0	-105700.9	-120131.5	-135684.3
BIC	210436.8	211926.7	240787.8	271893.4

Standard errors in parentheses
+ p<.10, * p<.05, ** p<.01, *** p<.001

Table A3.6 OLS Regressions (With Full Control Variables Shown) of Well-Being for 34-49 Year-Olds Only

	Model 1	Model 2	Model 3	Model 4
	Life satisfaction	Life worth	Happiness	Anxiety
Current employment status (ref: unemployed)				
ALMP	0.106 (0.081)	0.162* (0.078)	0.281** (0.101)	-0.061 (0.133)
Employed	0.940*** (0.027)	0.591*** (0.026)	0.399*** (0.033)	0.393*** (0.044)
Self-employed	0.902*** (0.031)	0.686*** (0.030)	0.446*** (0.039)	0.399*** (0.051)
Retired	1.255*** (0.233)	1.280*** (0.223)	0.860** (0.288)	0.292 (0.382)
Sick/disabled	-0.089* (0.036)	-0.527*** (0.034)	-0.515*** (0.044)	-0.696*** (0.059)
Family care	0.904*** (0.034)	0.739*** (0.033)	0.480*** (0.042)	0.468*** (0.056)
Student	0.955*** (0.078)	0.783*** (0.074)	0.566*** (0.096)	0.292* (0.127)
Unpaid family work	0.646*** (0.140)	0.724*** (0.134)	0.595*** (0.173)	0.370 (0.229)
Other status	0.678*** (0.054)	0.361*** (0.051)	0.382*** (0.066)	0.219* (0.088)
Controls				
Housing tenure (ref: own outright)				
Mortgage	-0.179*** (0.020)	-0.071*** (0.019)	-0.113*** (0.025)	-0.135*** (0.033)
Part own	-0.363*** (0.077)	-0.167* (0.073)	-0.029 (0.095)	-0.125 (0.126)
Rent	-0.380*** (0.022)	-0.167*** (0.021)	-0.233*** (0.027)	-0.218*** (0.036)
Rent free/squat	-0.213** (0.072)	0.003 (0.069)	-0.075 (0.089)	-0.180 (0.118)
Marital status (ref: single)				
Married	0.501*** (0.014)	0.392*** (0.014)	0.413*** (0.018)	0.138*** (0.023)
Separated	-0.202*** (0.027)	0.032 (0.026)	-0.074* (0.034)	-0.184*** (0.044)
Divorced	0.011 (0.020)	0.091*** (0.019)	0.035 (0.025)	-0.022 (0.033)
Widowed	-0.432*** (0.062)	-0.057 (0.059)	-0.193* (0.077)	-0.075 (0.102)
Highest qualification (ref: none)				
Higher education	-0.045+ (0.026)	0.194*** (0.025)	0.058+ (0.032)	-0.131** (0.042)
A-Level or equivalent	-0.098*** (0.027)	0.129*** (0.026)	0.024 (0.033)	0.012 (0.044)
GCSE or equivalent	-0.112*** (0.026)	0.070** (0.025)	0.002 (0.032)	0.071+ (0.042)
Other qualification	-0.037 (0.030)	0.026 (0.028)	0.032 (0.037)	0.024 (0.048)
Ethnicity (ref: white)				
Mixed race	-0.270*** (0.061)	-0.044 (0.058)	-0.174* (0.075)	-0.143 (0.100)
Indian	-0.167*** (0.038)	-0.195*** (0.036)	-0.016 (0.047)	-0.104+ (0.063)
Pakistani	-0.168*** (0.050)	-0.222*** (0.047)	-0.203*** (0.062)	-0.043 (0.081)
Bangladeshi	-0.353*** (0.082)	-0.390*** (0.079)	-0.024 (0.102)	0.122 (0.135)
Chinese	-0.371*** (0.090)	-0.367*** (0.085)	-0.178 (0.111)	-0.031 (0.146)
Other Asian	0.037 (0.052)	-0.114* (0.049)	0.124+ (0.064)	-0.033 (0.084)
Black	-0.442*** (0.033)	-0.079* (0.031)	-0.061 (0.040)	0.266*** (0.053)
Arab	0.161 (0.101)	-0.165+ (0.097)	-0.128 (0.125)	-0.330* (0.165)
Other ethnicity	-0.169** (0.051)	-0.258*** (0.049)	-0.070 (0.064)	-0.177* (0.084)
Region (ref: Yorkshire)				

Merseyside	-0.079+ (0.045)	-0.053 (0.043)	-0.139* (0.055)	-0.031 (0.073)
London	-0.098*** (0.026)	-0.120*** (0.024)	0.015 (0.032)	-0.157*** (0.042)
North-West	-0.011 (0.027)	-0.025 (0.026)	-0.066+ (0.034)	-0.020 (0.045)
North-East	0.014 (0.034)	-0.005 (0.033)	-0.069 (0.042)	-0.063 (0.056)
East Midlands	-0.016 (0.029)	-0.018 (0.028)	0.014 (0.036)	-0.014 (0.047)
Wales	-0.044 (0.033)	-0.015 (0.032)	0.010 (0.041)	0.062 (0.054)
South-East	0.002 (0.025)	0.004 (0.024)	-0.005 (0.031)	0.008 (0.041)
West Midlands	-0.075** (0.028)	-0.103*** (0.027)	-0.059+ (0.035)	0.151** (0.046)
South-West	0.016 (0.028)	0.003 (0.027)	0.004 (0.035)	0.062 (0.046)
East	0.003 (0.027)	-0.035 (0.026)	-0.015 (0.034)	0.005 (0.044)
Scotland	0.063* (0.028)	-0.007 (0.026)	0.051 (0.034)	0.178*** (0.045)
Demographics				
Age	-0.091*** (0.026)	-0.023 (0.024)	-0.016 (0.032)	-0.023 (0.042)
Age-squared	0.001** (0.000)	0.000 (0.000)	0.000 (0.000)	0.000 (0.001)
Religious	0.110*** (0.013)	0.164*** (0.012)	0.132*** (0.016)	-0.088*** (0.021)
Female	0.146*** (0.012)	0.285*** (0.012)	0.090*** (0.015)	-0.142*** (0.020)
Good health	1.030*** (0.017)	0.718*** (0.016)	1.037*** (0.020)	1.178*** (0.027)
Year: 2013	0.037** (0.012)	0.032** (0.011)	0.011 (0.014)	0.101*** (0.019)
Constant	7.802	6.731	6.284	6.277
R ²	0.173	0.134	0.0925	0.0560
Adjusted R ²	0.173	0.133	0.0920	0.0555
N	88776	88776	88776	88776
Log-likelihood	-173805.3	-169674.8	-192639.1	-217482.5
BIC	348157.6	339896.6	385825.2	435511.9

Standard errors in parentheses
+ p<.10, * p<.05, ** p<.01, *** p<.001

Table A3.7 OLS Regressions (With Full Control Variables Shown) of Well-Being for 50-65 Year-Olds Only

	Model 1	Model 2	Model 3	Model 4
	Life satisfaction	Life worth	Happiness	Anxiety
Current employment status (ref: unemployed)				
ALMP	0.085 (0.107)	0.096 (0.102)	0.247+ (0.129)	-0.191 (0.170)
Employed	1.015*** (0.032)	0.765*** (0.031)	0.518*** (0.039)	0.480*** (0.051)
Self-employed	0.989*** (0.036)	0.856*** (0.034)	0.546*** (0.043)	0.446*** (0.057)
Retired	1.243*** (0.036)	0.721*** (0.034)	0.819*** (0.043)	0.881*** (0.057)
Sick/disabled	0.153*** (0.037)	-0.169*** (0.035)	-0.140** (0.044)	-0.159** (0.058)
Family care	0.823*** (0.043)	0.827*** (0.040)	0.448*** (0.051)	0.199** (0.067)
student	0.805*** (0.175)	0.987*** (0.166)	0.390+ (0.211)	-0.033 (0.278)
Unpaid family work	1.199*** (0.105)	0.695*** (0.099)	0.672*** (0.126)	0.230 (0.166)
Other status	1.008*** (0.043)	0.541*** (0.041)	0.605*** (0.052)	0.615*** (0.069)
Controls				
Housing tenure (ref: own outright)				
Mortgage	-0.222*** (0.014)	-0.071*** (0.013)	-0.145*** (0.017)	-0.188*** (0.023)
Part own	-0.550*** (0.105)	-0.474*** (0.099)	-0.663*** (0.127)	-0.555*** (0.167)
Rent	-0.343*** (0.017)	-0.184*** (0.016)	-0.250*** (0.021)	-0.254*** (0.028)
Rent free/squat	0.101 (0.068)	0.274*** (0.064)	0.047 (0.082)	0.172 (0.108)
Marital status (ref: single)				
Married	0.466*** (0.019)	0.339*** (0.018)	0.369*** (0.023)	0.112*** (0.030)
Separated	-0.297*** (0.034)	-0.103** (0.032)	-0.199*** (0.040)	-0.193*** (0.053)
Divorced	-0.080*** (0.022)	0.007 (0.021)	-0.044+ (0.027)	-0.084* (0.035)
Widowed	-0.417*** (0.031)	-0.144*** (0.029)	-0.285*** (0.038)	-0.133** (0.049)
Highest qualification (ref: none)				
Higher education	0.023 (0.019)	0.219*** (0.018)	0.046* (0.023)	-0.026 (0.031)
A-Level or equivalent	-0.008 (0.020)	0.123*** (0.019)	0.051* (0.024)	0.036 (0.032)
GCSE or equivalent	-0.019 (0.020)	0.056** (0.019)	0.034 (0.024)	0.076* (0.032)
Other qualification	0.065** (0.023)	0.129*** (0.022)	0.107*** (0.028)	0.077* (0.036)
Ethnicity (ref: white)				
Mixed race	0.080 (0.092)	0.287*** (0.087)	0.170 (0.110)	-0.283+ (0.145)
Indian	-0.061 (0.047)	-0.049 (0.045)	0.117* (0.057)	-0.325*** (0.075)
Pakistani	0.159* (0.081)	-0.075 (0.077)	-0.036 (0.098)	-0.017 (0.128)
Bangladeshi	-0.163 (0.156)	-0.140 (0.147)	-0.031 (0.188)	0.688** (0.247)
Chinese	-0.041 (0.117)	-0.230* (0.110)	0.277* (0.141)	0.250 (0.185)
Other Asian	0.157* (0.079)	-0.142+ (0.075)	0.028 (0.095)	-0.271* (0.125)
Black	-0.144** (0.047)	0.075+ (0.044)	0.109+ (0.056)	0.255*** (0.074)
Arab	-0.250 (0.158)	-0.377* (0.149)	-0.249 (0.191)	0.087 (0.251)
Other ethnicity	-0.065 (0.075)	-0.050 (0.071)	-0.148 (0.090)	-0.234* (0.119)
Region (ref: Yorkshire)				

Merseyside	-0.181*** (0.042)	-0.148*** (0.040)	-0.174*** (0.051)	-0.207** (0.067)
London	-0.100*** (0.028)	-0.132*** (0.026)	-0.090** (0.033)	-0.222*** (0.044)
North-West	-0.038 (0.027)	-0.038 (0.026)	0.023 (0.033)	-0.004 (0.043)
North-East	0.031 (0.033)	-0.059+ (0.031)	0.012 (0.040)	0.004 (0.053)
East Midlands	-0.040 (0.028)	-0.048+ (0.027)	0.045 (0.034)	-0.036 (0.045)
Wales	0.008 (0.032)	0.021 (0.030)	0.032 (0.038)	-0.044 (0.050)
South-East	-0.016 (0.025)	-0.065** (0.023)	0.043 (0.030)	0.011 (0.039)
West Midlands	-0.051+ (0.027)	-0.129*** (0.026)	-0.002 (0.033)	0.126** (0.044)
South-West	-0.005 (0.027)	-0.063* (0.026)	0.026 (0.033)	-0.011 (0.043)
East	-0.072** (0.027)	-0.078** (0.025)	0.023 (0.032)	-0.005 (0.042)
Scotland	0.099*** (0.027)	-0.027 (0.026)	0.067* (0.033)	0.108* (0.043)
Demographics				
Age	-0.126*** (0.036)	-0.148*** (0.034)	-0.160*** (0.043)	-0.197*** (0.057)
Age-squared	0.001*** (0.000)	0.002*** (0.000)	0.002*** (0.000)	0.002*** (0.000)
Religious	0.169*** (0.014)	0.246*** (0.013)	0.194*** (0.017)	-0.067** (0.023)
Female	0.071*** (0.012)	0.263*** (0.012)	0.047** (0.015)	-0.340*** (0.019)
Good health	0.909*** (0.014)	0.631*** (0.014)	0.897*** (0.017)	1.032*** (0.023)
Year: 2013	0.034** (0.012)	0.019+ (0.011)	-0.013 (0.014)	0.078*** (0.018)
Constant	8.308	9.380	9.533	10.853
R ²	0.178	0.136	0.102	0.0642
Adjusted R ²	0.178	0.136	0.102	0.0637
N	96336	96336	96336	96336
Log-likelihood	-192449.0	-187100.6	-210486.1	-236905.9
BIC	385448.8	374752.0	421523.1	474362.5

Standard errors in parentheses
+ p<.10, * p<.05, ** p<.01, *** p<.001

Table A3.8 OLS Regressions (With Full Control Variables Shown) of Well-Being for Those With No/Other Qualifications as Highest Qualification

	Model 1	Model 2	Model 3	Model 4
	Life satisfaction	Life worth	Happiness	Anxiety
Current employment status (ref: unemployed)				
ALMP	0.300** (0.103)	0.450*** (0.099)	0.475*** (0.120)	-0.022 (0.149)
Employed	0.784*** (0.038)	0.578*** (0.036)	0.446*** (0.044)	0.407*** (0.055)
Self-employed	0.756*** (0.050)	0.681*** (0.048)	0.413*** (0.058)	0.320*** (0.072)
Retired	0.913*** (0.052)	0.530*** (0.049)	0.647*** (0.060)	0.656*** (0.075)
Sick/disabled	-0.031 (0.043)	-0.320*** (0.041)	-0.269*** (0.051)	-0.472*** (0.063)
Family care	0.707*** (0.045)	0.730*** (0.043)	0.411*** (0.053)	0.332*** (0.066)
Student	0.913*** (0.109)	0.834*** (0.105)	0.776*** (0.128)	0.498** (0.158)
Unpaid family work	0.900*** (0.232)	0.951*** (0.222)	0.885** (0.271)	-0.047 (0.336)
Other status	0.490*** (0.065)	0.285*** (0.062)	0.256*** (0.076)	0.149 (0.094)
Controls				
Housing tenure (ref: own outright)				
Mortgage	-0.261*** (0.032)	-0.118*** (0.030)	-0.214*** (0.037)	-0.180*** (0.046)
Part own	-0.708*** (0.171)	-0.632*** (0.164)	-0.361+ (0.200)	0.156 (0.247)
Rent	-0.309*** (0.030)	-0.215*** (0.028)	-0.219*** (0.035)	-0.270*** (0.043)
Rent free/squat	0.079 (0.104)	-0.001 (0.100)	0.203+ (0.122)	0.191 (0.150)
Marital status (ref: single)				
Married	0.500*** (0.027)	0.393*** (0.026)	0.411*** (0.031)	0.147*** (0.039)
Separated	-0.261*** (0.047)	-0.111* (0.045)	-0.255*** (0.055)	-0.314*** (0.068)
Divorced	-0.088** (0.033)	-0.046 (0.032)	-0.117** (0.039)	-0.088+ (0.048)
Widowed	-0.389*** (0.053)	-0.171*** (0.051)	-0.305*** (0.062)	-0.119 (0.077)
Ethnicity (ref: white)				
Mixed race	-0.042 (0.120)	0.108 (0.115)	-0.079 (0.140)	-0.350* (0.173)
Indian	0.016 (0.067)	-0.158* (0.064)	0.100 (0.078)	-0.099 (0.096)
Pakistani	0.018 (0.073)	-0.210** (0.069)	-0.001 (0.085)	0.075 (0.105)
Bangladeshi	0.028 (0.104)	-0.217* (0.099)	0.241* (0.121)	0.308* (0.150)
Chinese	-0.191 (0.135)	-0.362** (0.130)	0.137 (0.158)	-0.150 (0.196)
Other Asian	-0.062 (0.078)	-0.442*** (0.075)	-0.088 (0.092)	-0.191+ (0.113)
Black	-0.313*** (0.055)	-0.173*** (0.052)	-0.039 (0.064)	0.212** (0.079)
Arab	0.033 (0.132)	-0.285* (0.127)	-0.238 (0.155)	-0.361+ (0.191)
Other ethnicity	-0.221** (0.072)	-0.461*** (0.068)	-0.354*** (0.084)	-0.221* (0.103)
Region (ref: Yorkshire)				
Merseyside	-0.300*** (0.066)	-0.176** (0.064)	-0.396*** (0.078)	-0.256** (0.096)
London	-0.193*** (0.042)	-0.138*** (0.040)	-0.130** (0.049)	-0.158** (0.060)
North-West	-0.106* (0.043)	-0.077+ (0.041)	-0.161** (0.051)	-0.062 (0.063)
North-East	0.013 (0.052)	-0.031 (0.050)	-0.101+ (0.061)	-0.059 (0.075)

East Midlands	-0.053 (0.046)	-0.047 (0.044)	-0.060 (0.053)	-0.021 (0.066)
Wales	-0.003 (0.052)	0.031 (0.050)	-0.010 (0.061)	-0.062 (0.075)
South-East	-0.073+ (0.041)	-0.024 (0.040)	-0.096* (0.048)	-0.048 (0.060)
West Midlands	-0.124** (0.043)	-0.191*** (0.041)	-0.132** (0.050)	0.293*** (0.061)
South-West	-0.057 (0.047)	-0.039 (0.045)	-0.115* (0.054)	-0.015 (0.067)
East	-0.155*** (0.044)	-0.106* (0.042)	-0.121* (0.051)	-0.015 (0.063)
Scotland	0.013 (0.044)	-0.100* (0.042)	-0.092+ (0.051)	0.032 (0.064)
Demographics				
Age	-0.083*** (0.006)	-0.042*** (0.006)	-0.063*** (0.007)	-0.081*** (0.009)
Age-squared	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)
Religious	0.204*** (0.023)	0.222*** (0.022)	0.222*** (0.027)	-0.068* (0.033)
Female	0.157*** (0.021)	0.297*** (0.020)	0.039 (0.024)	-0.226*** (0.030)
Good health	1.005*** (0.024)	0.789*** (0.023)	1.081*** (0.028)	1.128*** (0.034)
Year: 2013	0.052** (0.019)	0.058** (0.018)	0.020 (0.022)	0.155*** (0.028)
Constant	7.305	6.740	6.967	7.548
R ²	0.158	0.140	0.110	0.0779
Adjusted R ²	0.157	0.139	0.109	0.0771
N	47838	47838	47838	47838
Log-likelihood	-102960.6	-100845.1	-110388.3	-120559.4
BIC	206395.4	202164.2	221250.7	241592.9

Standard errors in parentheses

+ p<.10, * p<.05, ** p<.01, *** p<.001

Table A3.9 OLS Regressions (With Full Control Variables Shown) of Well-Being for Those With GCSE as Highest Qualification

	Model 1	Model 2	Model 3	Model 4
	Life satisfaction	Life worth	Happiness	Anxiety
Current employment status (ref: unemployed)				
ALMP	0.325*** (0.087)	0.168* (0.083)	0.389*** (0.109)	0.260+ (0.141)
Employed	0.927*** (0.031)	0.610*** (0.030)	0.390*** (0.039)	0.373*** (0.051)
Self-employed	0.891*** (0.041)	0.738*** (0.039)	0.394*** (0.051)	0.299*** (0.066)
Retired	1.245*** (0.051)	0.742*** (0.048)	0.744*** (0.063)	0.822*** (0.082)
Sick/disabled	-0.136** (0.044)	-0.346*** (0.042)	-0.466*** (0.055)	-0.616*** (0.071)
Family care	0.960*** (0.040)	0.875*** (0.038)	0.540*** (0.050)	0.412*** (0.065)
Student	0.789*** (0.087)	0.700*** (0.083)	0.401*** (0.109)	0.191 (0.141)
Unpaid family work	1.305*** (0.181)	1.146*** (0.172)	0.739** (0.226)	0.046 (0.292)
Other status	0.807*** (0.059)	0.406*** (0.056)	0.412*** (0.074)	0.437*** (0.096)
Controls				
Housing tenure (ref: own outright)				
Mortgage	-0.218*** (0.024)	-0.068** (0.023)	-0.126*** (0.030)	-0.090* (0.039)
Part own	-0.440*** (0.103)	-0.266** (0.098)	-0.399** (0.129)	-0.427* (0.167)
Rent	-0.411*** (0.026)	-0.148*** (0.025)	-0.286*** (0.033)	-0.203*** (0.042)
Rent free/squat	-0.472*** (0.097)	-0.185* (0.092)	-0.296* (0.121)	-0.205 (0.156)
Marital status (ref: single)				
Married	0.566*** (0.022)	0.423*** (0.021)	0.467*** (0.027)	0.143*** (0.035)
Separated	-0.224*** (0.041)	-0.009 (0.039)	-0.082 (0.051)	-0.169* (0.066)
Divorced	-0.054+ (0.029)	0.051+ (0.027)	0.023 (0.036)	-0.083+ (0.046)
Widowed	-0.335*** (0.059)	-0.008 (0.056)	-0.113 (0.074)	-0.134 (0.095)
Ethnicity (ref: white)				
Mixed race	-0.447*** (0.088)	-0.018 (0.084)	-0.249* (0.110)	-0.232 (0.143)
Indian	-0.177* (0.074)	-0.164* (0.071)	-0.051 (0.092)	-0.522*** (0.120)
Pakistani	-0.181* (0.079)	-0.207** (0.076)	-0.397*** (0.099)	-0.390** (0.128)
Bangladeshi	-0.791*** (0.122)	-0.394*** (0.116)	-0.518*** (0.152)	-0.388* (0.197)
Chinese	-0.700** (0.221)	-0.642** (0.211)	-0.016 (0.276)	-0.013 (0.357)
Other Asian	0.323** (0.112)	-0.046 (0.107)	0.422** (0.139)	0.007 (0.181)
Black	-0.354*** (0.057)	-0.065 (0.055)	-0.057 (0.071)	0.002 (0.093)
Arab	-0.166 (0.242)	-0.025 (0.230)	-0.636* (0.301)	-0.677+ (0.390)
Other ethnicity	0.003 (0.104)	-0.063 (0.099)	0.049 (0.130)	-0.341* (0.168)
Region (ref: Yorkshire)				
Merseyside	0.001 (0.054)	0.013 (0.052)	-0.063 (0.068)	-0.100 (0.088)
London	-0.088* (0.037)	-0.108** (0.035)	0.006 (0.046)	-0.144* (0.060)
North-West	-0.032 (0.035)	-0.020 (0.034)	0.104* (0.044)	0.022 (0.057)
North-East	0.031 (0.042)	-0.048 (0.040)	0.032 (0.052)	0.015 (0.068)

East Midlands	-0.066+ (0.037)	-0.090* (0.035)	0.042 (0.046)	-0.014 (0.060)
Wales	-0.040 (0.042)	-0.022 (0.040)	0.109* (0.052)	0.026 (0.068)
South-East	0.039 (0.033)	0.009 (0.031)	0.100* (0.041)	0.076 (0.053)
West Midlands	-0.126*** (0.036)	-0.160*** (0.034)	-0.077+ (0.045)	0.089 (0.058)
South-West	0.038 (0.036)	-0.011 (0.034)	0.112* (0.045)	0.060 (0.058)
East	-0.022 (0.035)	-0.060+ (0.033)	0.118** (0.043)	0.081 (0.056)
Scotland	0.103** (0.038)	0.026 (0.037)	0.080+ (0.048)	0.133* (0.062)
Demographics				
Age	-0.094*** (0.005)	-0.051*** (0.005)	-0.078*** (0.006)	-0.072*** (0.008)
Age-squared	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)
Religious	0.108*** (0.018)	0.139*** (0.017)	0.109*** (0.022)	-0.063* (0.029)
Female	0.116*** (0.017)	0.255*** (0.016)	0.038+ (0.021)	-0.256*** (0.027)
Good health	0.937*** (0.020)	0.705*** (0.020)	0.932*** (0.026)	1.084*** (0.033)
Year: 2013	0.065*** (0.016)	0.046** (0.015)	0.023 (0.019)	0.098*** (0.025)
Constant	7.731	7.228	7.481	7.513
R ²	0.171	0.117	0.0865	0.0573
Adjusted R ²	0.170	0.116	0.0857	0.0565
N	52609	52609	52609	52609
Log-likelihood	-104960.6	-102373.7	-116548.5	-130179.5
BIC	210399.5	205225.8	233575.4	260837.3

Standard errors in parentheses

+ p<.10, * p<.05, ** p<.01, *** p<.001

Table A3.10 OLS Regressions (With Full Control Variables Shown) of Well-Being for Those With A-Level/Higher Education as Highest Qualification

	Model 1	Model 2	Model 3	Model 4
	Life satisfaction	Life worth	Happiness	Anxiety
Current employment status (ref: unemployed)				
ALMP	0.000 (0.070)	0.073 (0.069)	-0.116 (0.090)	-0.305* (0.123)
Employed	0.939*** (0.020)	0.696*** (0.020)	0.391*** (0.026)	0.436*** (0.036)
Self-employed	0.919*** (0.024)	0.801*** (0.023)	0.472*** (0.030)	0.433*** (0.041)
Retired	1.266*** (0.030)	0.750*** (0.029)	0.822*** (0.038)	0.899*** (0.052)
Sick/disabled	-0.121*** (0.032)	-0.403*** (0.031)	-0.356*** (0.041)	-0.234*** (0.056)
Family care	0.859*** (0.029)	0.815*** (0.028)	0.456*** (0.037)	0.514*** (0.051)
Student	0.950*** (0.029)	0.786*** (0.029)	0.391*** (0.037)	0.052 (0.051)
Unpaid family work	0.713*** (0.087)	0.468*** (0.085)	0.413*** (0.112)	0.265+ (0.153)
Other status	0.899*** (0.035)	0.513*** (0.035)	0.467*** (0.045)	0.437*** (0.062)
Controls				
Housing tenure (ref: own outright)				
Mortgage	-0.116*** (0.012)	-0.032** (0.012)	-0.077*** (0.016)	-0.119*** (0.022)
Part own	-0.113* (0.052)	0.065 (0.051)	0.053 (0.067)	-0.071 (0.091)
Rent	-0.319*** (0.014)	-0.143*** (0.014)	-0.205*** (0.018)	-0.223*** (0.025)
Rent free/squat	-0.042 (0.045)	0.183*** (0.044)	0.052 (0.058)	-0.092 (0.079)
Marital status (ref: single)				
Married	0.466*** (0.011)	0.337*** (0.011)	0.379*** (0.014)	0.151*** (0.019)
Separated	-0.225*** (0.024)	0.039+ (0.024)	-0.048 (0.031)	-0.053 (0.043)
Divorced	0.002 (0.017)	0.084*** (0.017)	0.044* (0.022)	-0.001 (0.030)
Widowed	-0.410*** (0.036)	-0.079* (0.035)	-0.216*** (0.046)	-0.038 (0.063)
Ethnicity (ref: white)				
Mixed race	-0.189*** (0.041)	-0.013 (0.040)	0.021 (0.052)	-0.139+ (0.071)
Indian	-0.136*** (0.025)	-0.097*** (0.025)	0.033 (0.033)	-0.194*** (0.045)
Pakistani	-0.278*** (0.038)	-0.232*** (0.037)	-0.158** (0.049)	-0.228*** (0.067)
Bangladeshi	-0.379*** (0.063)	-0.271*** (0.062)	-0.077 (0.081)	-0.318** (0.110)
Chinese	-0.139** (0.045)	-0.191*** (0.044)	0.053 (0.058)	0.028 (0.079)
Other Asian	-0.009 (0.040)	-0.052 (0.040)	0.090+ (0.052)	-0.081 (0.071)
Black	-0.504*** (0.025)	-0.057* (0.025)	-0.156*** (0.032)	0.133** (0.044)
Arab	-0.293*** (0.072)	-0.301*** (0.070)	-0.335*** (0.092)	-0.310* (0.126)
Other ethnicity	-0.117** (0.038)	-0.093* (0.037)	0.022 (0.049)	-0.197** (0.067)
Region (ref: Yorkshire)				
Merseyside	-0.048 (0.033)	-0.034 (0.032)	-0.095* (0.042)	-0.101+ (0.058)
London	-0.031+ (0.018)	-0.107*** (0.017)	0.039+ (0.023)	-0.247*** (0.031)

North-West	0.016 (0.020)	-0.009 (0.019)	0.026 (0.025)	-0.019 (0.034)
North-East	0.026 (0.025)	0.009 (0.024)	-0.022 (0.032)	-0.020 (0.044)
East Midlands	0.017 (0.021)	-0.012 (0.020)	0.065* (0.027)	0.007 (0.036)
Wales	0.004 (0.024)	0.012 (0.023)	0.045 (0.030)	0.047 (0.041)
South-East	0.006 (0.018)	-0.031+ (0.017)	0.012 (0.023)	-0.063* (0.031)
West Midlands	-0.028 (0.021)	-0.060** (0.020)	0.041 (0.026)	0.150*** (0.036)
South-West	0.032 (0.020)	-0.016 (0.019)	0.026 (0.025)	0.003 (0.035)
East	0.024 (0.019)	-0.037+ (0.019)	0.051* (0.025)	-0.007 (0.034)
Scotland	0.110*** (0.019)	0.022 (0.019)	0.119*** (0.025)	0.116*** (0.034)
Demographics				
Age	-0.103*** (0.003)	-0.048*** (0.003)	-0.068*** (0.003)	-0.072*** (0.005)
Age-squared	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)
Religious	0.093*** (0.009)	0.186*** (0.009)	0.142*** (0.012)	-0.052** (0.016)
Female	0.101*** (0.008)	0.274*** (0.008)	0.088*** (0.011)	-0.224*** (0.015)
Good health	0.954*** (0.012)	0.646*** (0.012)	0.977*** (0.016)	1.094*** (0.022)
Year: 2013	0.027** (0.008)	0.016+ (0.008)	0.008 (0.011)	0.071*** (0.014)
Constant	7.884	7.135	7.231	7.252
R ²	0.148	0.0934	0.0663	0.0390
Adjusted R ²	0.148	0.0932	0.0660	0.0387
N	140733	140733	140733	140733
Log-likelihood	-259784.8	-256806.0	-294972.3	-339030.4
BIC	520091.1	514133.7	590466.2	678582.4

Standard errors in parentheses
+ p<.10, * p<.05, ** p<.01, *** p<.001

Table A3.11 OLS Regressions (With Full Control Variables Shown) of Well-Being for Those Professional Occupational Status

	Model 1	Model 2	Model 3	Model 4
	Life satisfaction	Life worth	Happiness	Anxiety
Employment status (ref: unemployed)				
ALMP	-0.011 (0.173)	0.218 (0.164)	-0.390* (0.187)	-0.572* (0.253)
Controls				
Housing tenure (ref: own outright)				
Mortgage	-0.347* (0.135)	-0.262* (0.128)	-0.210 (0.146)	-0.585** (0.198)
Part own	-0.553 (0.622)	-0.333 (0.587)	-0.839 (0.669)	0.474 (0.909)
Rent	-0.505*** (0.146)	-0.327* (0.138)	-0.110 (0.158)	-0.499* (0.214)
Rent free/squat	0.116 (0.480)	0.265 (0.453)	1.144* (0.517)	0.487 (0.702)
Marital status (ref: single)				
Married	0.816*** (0.115)	0.430*** (0.108)	0.604*** (0.123)	0.234 (0.167)
Separated	-0.150 (0.215)	-0.077 (0.203)	0.001 (0.232)	0.479 (0.314)
Divorced	-0.272 (0.176)	-0.041 (0.167)	0.031 (0.190)	0.115 (0.258)
Widowed	-0.312 (0.446)	0.252 (0.421)	-0.526 (0.480)	-0.688 (0.651)
Highest qualification (ref: none)				
Higher education	0.115 (0.287)	-0.098 (0.271)	0.521+ (0.309)	-0.074 (0.420)
A-Level or equivalent	0.045 (0.300)	-0.013 (0.283)	0.277 (0.323)	-0.399 (0.438)
GCSE or equivalent	-0.157 (0.300)	-0.135 (0.283)	0.359 (0.323)	0.029 (0.438)
Other qualification	0.065 (0.341)	-0.440 (0.322)	0.672+ (0.367)	0.230 (0.498)
Ethnicity (ref: white)				
Mixed race	-0.489 (0.358)	-0.148 (0.338)	-0.515 (0.385)	-1.620** (0.523)
Indian	-0.297 (0.220)	-0.264 (0.208)	-0.285 (0.237)	-0.024 (0.321)
Pakistani	-0.355 (0.294)	0.050 (0.277)	0.661* (0.316)	0.049 (0.429)
Bangladeshi	-0.406 (0.694)	-0.130 (0.655)	-0.981 (0.747)	-1.765+ (1.014)
Chinese	-0.599 (0.702)	-0.738 (0.663)	-0.655 (0.756)	-1.163 (1.026)
Other Asian	-0.270 (0.390)	-0.510 (0.368)	-0.307 (0.419)	-1.211* (0.569)
Black	-0.536** (0.202)	0.183 (0.190)	0.227 (0.217)	-0.141 (0.295)
Arab	0.695 (0.729)	0.540 (0.688)	-0.156 (0.785)	-0.848 (1.065)
Other ethnicity	-0.369 (0.317)	-0.119 (0.299)	-0.183 (0.341)	-1.042* (0.463)
Region (ref: Yorkshire)				
Merseyside	-0.216 (0.322)	0.147 (0.304)	0.031 (0.346)	-0.334 (0.470)
London	0.174 (0.181)	0.370* (0.171)	0.089 (0.195)	0.090 (0.265)
North-West	0.050 (0.218)	0.459* (0.206)	0.145 (0.235)	0.377 (0.319)
North-East	0.219 (0.275)	0.899*** (0.260)	0.405 (0.296)	0.554 (0.402)
East Midlands	0.014 (0.225)	0.374+ (0.213)	0.297 (0.242)	-0.098 (0.329)
Wales	0.409 (0.274)	0.686** (0.259)	0.173 (0.295)	-0.176 (0.400)
South-East	0.365+ (0.193)	0.533** (0.182)	0.263 (0.208)	0.278 (0.282)

West Midlands	-0.347 (0.224)	0.174 (0.212)	-0.162 (0.242)	0.211 (0.328)
South-West	0.307 (0.227)	0.390+ (0.215)	0.230 (0.245)	0.347 (0.332)
East	0.357+ (0.207)	0.438* (0.196)	0.151 (0.223)	0.411 (0.303)
Scotland	0.411+ (0.221)	0.478* (0.209)	0.445+ (0.238)	0.516 (0.323)
Demographics				
Age	-0.119*** (0.029)	-0.010 (0.027)	-0.093** (0.031)	-0.128** (0.042)
Age-squared	0.001*** (0.000)	0.000 (0.000)	0.001** (0.000)	0.001** (0.000)
Religious	0.051 (0.100)	0.433*** (0.094)	0.117 (0.108)	-0.162 (0.146)
Female	0.399*** (0.091)	0.622*** (0.085)	0.153 (0.098)	-0.296* (0.132)
Good health	0.754*** (0.115)	0.832*** (0.108)	0.893*** (0.124)	0.751*** (0.168)
Year: 2013	0.147 (0.090)	0.201* (0.085)	0.182+ (0.096)	0.229+ (0.131)
Constant	8.052	5.622	6.940	8.658
R ²	0.127	0.112	0.0775	0.0502
Adjusted R ²	0.109	0.0950	0.0593	0.0314
N	2016	2016	2016	2016
Log-likelihood	-4203.5	-4087.5	-4352.5	-4968.5
BIC	8711.3	8479.3	9009.3	10241.3

Standard errors in parentheses
+ p<.10, * p<.05, ** p<.01, *** p<.001

Table A3.12 OLS Regressions (With Full Control Variables Shown) of Well-Being for Those Intermediate Occupational Status

	Model 1	Model 2	Model 3	Model 4
	Life satisfaction	Life worth	Happiness	Anxiety
Current labour market status (ref: unemployed)				
ALMP	0.309* (0.156)	0.381* (0.148)	0.285 (0.177)	0.029 (0.227)
Controls				
Housing tenure (ref: own outright)				
Mortgage	-0.505** (0.159)	-0.367* (0.151)	0.027 (0.181)	-0.376 (0.231)
Part own	-1.064 (1.052)	0.583 (0.999)	0.232 (1.194)	2.738+ (1.530)
Rent	-0.460** (0.153)	-0.418** (0.145)	-0.186 (0.174)	-0.231 (0.222)
Rent free/squat	-0.732 (0.662)	-1.075+ (0.629)	-0.684 (0.751)	0.076 (0.962)
Marital status (ref: single)				
Married	0.845*** (0.129)	0.599*** (0.122)	0.628*** (0.146)	0.485** (0.187)
Separated	-0.224 (0.212)	-0.005 (0.201)	-0.135 (0.240)	-0.011 (0.307)
Divorced	0.133 (0.169)	0.255 (0.161)	0.109 (0.192)	-0.087 (0.246)
Widowed	-1.061* (0.462)	-0.938* (0.438)	-1.254* (0.524)	-1.877** (0.671)
Highest qualification (ref: none)				
Higher education	-0.189 (0.211)	-0.049 (0.201)	-0.113 (0.240)	0.140 (0.307)
A-Level or equivalent	-0.256 (0.205)	-0.137 (0.195)	-0.243 (0.233)	0.333 (0.298)
GCSE or equivalent	-0.145 (0.206)	-0.027 (0.196)	-0.382 (0.234)	0.294 (0.300)
Other qualification	-0.040 (0.231)	-0.171 (0.219)	-0.667* (0.262)	-0.327 (0.335)
Ethnicity (ref: white)				
Mixed race	0.367 (0.331)	0.289 (0.315)	0.479 (0.376)	0.211 (0.482)
Indian	-0.537+ (0.326)	-0.428 (0.310)	0.184 (0.370)	-0.384 (0.474)
Pakistani	0.944** (0.328)	-0.109 (0.311)	0.451 (0.372)	0.297 (0.476)
Bangladeshi	1.374+ (0.744)	1.073 (0.706)	1.183 (0.844)	1.231 (1.081)
Chinese	0.760 (0.561)	0.563 (0.533)	0.393 (0.637)	0.385 (0.816)
Other Asian	-0.101 (0.386)	-0.448 (0.367)	0.286 (0.438)	-0.878 (0.561)
Black	-0.364 (0.245)	-0.164 (0.233)	-0.120 (0.278)	0.005 (0.356)
Arab	2.589* (1.160)	1.959+ (1.102)	0.897 (1.317)	2.557 (1.686)
Other ethnicity	-0.352 (0.342)	-0.049 (0.324)	-1.071** (0.388)	-2.782*** (0.496)
Region (ref: Yorkshire)				
Merseyside	0.527 (0.334)	0.492 (0.317)	0.064 (0.379)	-0.123 (0.485)
London	0.393* (0.196)	0.252 (0.186)	0.147 (0.222)	-0.386 (0.285)
North-West	0.152 (0.207)	0.356+ (0.196)	0.262 (0.234)	0.298 (0.300)
North-East	0.465+ (0.250)	0.557* (0.238)	0.647* (0.284)	-0.229 (0.364)
East Midlands	0.394+ (0.214)	0.399* (0.203)	0.578* (0.242)	-0.808** (0.310)
Wales	-0.016 (0.253)	0.296 (0.241)	0.155 (0.288)	-0.405 (0.368)
South-East	0.366+ (0.197)	0.463* (0.187)	0.038 (0.223)	-0.547+ (0.286)

West Midlands	0.274 (0.225)	0.447* (0.214)	0.226 (0.256)	0.281 (0.328)
South-West	0.642** (0.233)	0.911*** (0.221)	0.666* (0.264)	0.244 (0.338)
East	0.542** (0.208)	0.559** (0.197)	0.041 (0.236)	-0.069 (0.302)
Scotland	0.593** (0.223)	0.601** (0.212)	0.503* (0.253)	0.323 (0.325)
Demographics				
Age	-0.100*** (0.027)	-0.013 (0.026)	-0.114*** (0.031)	-0.133*** (0.040)
Age-squared	0.001* (0.000)	-0.000 (0.000)	0.001** (0.000)	0.001** (0.000)
Religious	0.053 (0.102)	0.314** (0.096)	0.311** (0.115)	0.254+ (0.148)
Female	0.374*** (0.098)	0.333*** (0.093)	0.256* (0.111)	0.230 (0.142)
Good health	1.187*** (0.111)	1.061*** (0.105)	1.161*** (0.126)	1.140*** (0.161)
Year: 2013	-0.064 (0.093)	-0.010 (0.089)	0.104 (0.106)	-0.122 (0.136)
Constant	7.678	6.171	7.998	8.466
R ²	0.147	0.113	0.118	0.102
Adjusted R ²	0.130	0.0956	0.101	0.0836
N	1982	1982	1982	1982
Log-likelihood	-4199.9	-4097.7	-4450.9	-4941.0
BIC	8703.5	8499.0	9205.4	10185.7

Standard errors in parentheses

+ p<.10, * p<.05, ** p<.01, *** p<.001

Table A3.13 OLS Regressions (With Full Control Variables Shown) of Well-Being for Those Routine Occupational Status

	Model 1	Model 2	Model 3	Model 4
	Life satisfaction	Life worth	Happiness	Anxiety
Current employment status (ref: unemployed)				
ALMP	0.170 (0.126)	0.022 (0.120)	0.328* (0.144)	-0.302+ (0.173)
Controls				
Housing tenure (ref: own outright)				
Mortgage	-0.224 (0.162)	0.079 (0.154)	-0.152 (0.185)	-0.269 (0.222)
Part own	-1.676* (0.799)	-0.945 (0.757)	-1.319 (0.912)	0.747 (1.094)
Rent	-0.104 (0.148)	0.106 (0.140)	-0.204 (0.169)	-0.380+ (0.202)
Rent free/squat	-0.326 (0.426)	-0.527 (0.404)	-0.497 (0.487)	-1.426* (0.584)
Marital status (ref: single)				
Married	0.875*** (0.118)	0.598*** (0.112)	0.695*** (0.135)	0.529** (0.162)
Separated	0.513** (0.189)	0.331+ (0.179)	0.332 (0.215)	0.173 (0.258)
Divorced	-0.134 (0.149)	-0.073 (0.141)	0.136 (0.170)	0.228 (0.203)
Widowed	0.152 (0.412)	0.166 (0.390)	0.774+ (0.470)	0.550 (0.564)
Highest qualification (ref: none)				
Higher education	-0.051 (0.151)	-0.002 (0.143)	-0.206 (0.172)	-0.421* (0.207)
A-Level or equivalent	-0.107 (0.139)	0.185 (0.132)	-0.299+ (0.159)	-0.343+ (0.191)
GCSE or equivalent	-0.050 (0.125)	0.038 (0.118)	-0.190 (0.143)	-0.068 (0.171)
Other qualification	-0.132 (0.138)	0.026 (0.131)	-0.263+ (0.158)	-0.041 (0.190)
Ethnicity (ref: white)				
Mixed race	0.565+ (0.325)	0.601+ (0.308)	0.913* (0.371)	0.037 (0.446)
Indian	0.330 (0.304)	0.629* (0.289)	0.127 (0.348)	-0.750+ (0.417)
Pakistani	-0.696* (0.304)	-0.428 (0.288)	-0.574+ (0.347)	-1.225** (0.416)
Bangladeshi	0.262 (0.445)	-0.022 (0.422)	0.625 (0.508)	-0.773 (0.610)
Chinese	0.412 (0.615)	-1.209* (0.583)	1.121 (0.702)	1.138 (0.842)
Other Asian	-0.084 (0.329)	-0.373 (0.312)	0.205 (0.376)	0.193 (0.451)
Black	-0.341+ (0.182)	0.049 (0.173)	0.130 (0.208)	0.563* (0.249)
Arab	1.545** (0.585)	0.483 (0.555)	1.428* (0.668)	-1.385+ (0.801)
Other ethnicity	0.544 (0.386)	0.088 (0.366)	0.282 (0.441)	0.750 (0.529)
Region (ref: Yorkshire)				
Merseyside	0.091 (0.270)	0.169 (0.256)	-0.350 (0.308)	-0.392 (0.370)
London	-0.313+ (0.172)	-0.125 (0.163)	-0.220 (0.196)	-0.186 (0.235)
North-West	-0.018 (0.164)	-0.037 (0.156)	0.191 (0.188)	0.298 (0.225)
North-East	0.126 (0.198)	-0.061 (0.188)	0.191 (0.226)	0.439 (0.271)
East Midlands	-0.084 (0.178)	-0.237 (0.169)	0.106 (0.204)	0.376 (0.244)
Wales	-0.148 (0.199)	-0.055 (0.189)	0.226 (0.228)	0.320 (0.273)
South-East	0.125 (0.170)	0.255 (0.161)	0.341+ (0.194)	0.252 (0.233)

West Midlands	-0.206 (0.172)	-0.294+ (0.163)	0.097 (0.196)	0.012 (0.235)
South-West	-0.347+ (0.182)	-0.181 (0.173)	0.055 (0.208)	0.023 (0.250)
East	-0.129 (0.178)	-0.097 (0.169)	-0.171 (0.204)	-0.166 (0.244)
Scotland	0.179 (0.167)	-0.204 (0.159)	0.187 (0.191)	0.148 (0.229)
Demographics				
Age	-0.133*** (0.022)	-0.027 (0.021)	-0.066** (0.025)	-0.079** (0.030)
Age-squared	0.001*** (0.000)	0.000 (0.000)	0.001* (0.000)	0.001+ (0.000)
Religious	0.138 (0.084)	-0.062 (0.080)	0.055 (0.096)	-0.183 (0.116)
Female	0.219** (0.079)	0.410*** (0.075)	0.142 (0.090)	-0.092 (0.108)
Good health	1.049*** (0.091)	0.976*** (0.087)	1.342*** (0.104)	1.124*** (0.125)
Year: 2013	0.228** (0.077)	0.302*** (0.073)	0.318*** (0.088)	0.279** (0.106)
Constant	8.010	6.067	6.760	7.720
R ²	0.0978	0.0751	0.0765	0.0559
Adjusted R ²	0.0875	0.0646	0.0659	0.0451
N	3446	3446	3446	3446
Log-likelihood	-7608.3	-7425.0	-8065.0	-8692.7
BIC	15542.5	15175.8	16455.9	17711.1

Standard errors in parentheses

+ p<.10, * p<.05, ** p<.01, *** p<.001

Table A3.14 OLS Regressions (With Full Control Variables Shown) of Well-Being for Those Who Have Never Worked/Long-Term Unemployed

	Model 1	Model 2	Model 3	Model 4
	Life satisfaction	Life worth	Happiness	Anxiety
Current employment status (ref: unemployed)				
ALMP	0.278** (0.091)	0.254** (0.089)	0.279** (0.104)	0.208+ (0.124)
Controls				
Housing tenure (ref: own outright)				
Mortgage	-0.214* (0.105)	-0.076 (0.103)	-0.148 (0.120)	-0.440** (0.143)
Part own	-0.679 (0.480)	-0.477 (0.471)	0.067 (0.549)	-0.246 (0.655)
Rent	-0.127 (0.092)	0.134 (0.090)	-0.125 (0.105)	-0.277* (0.125)
Rent free/squat	-0.285 (0.250)	-0.097 (0.246)	-0.236 (0.287)	-0.186 (0.342)
Marital status (ref: single)				
Married	0.682*** (0.079)	0.508*** (0.077)	0.592*** (0.090)	0.210+ (0.108)
Separated	-0.012 (0.133)	0.101 (0.131)	-0.019 (0.153)	-0.132 (0.182)
Divorced	0.045 (0.092)	0.095 (0.090)	0.060 (0.105)	0.121 (0.126)
Widowed	0.226 (0.225)	0.312 (0.220)	0.403 (0.257)	-0.138 (0.307)
Highest qualification (ref: none)				
Higher education	-0.242** (0.092)	0.151+ (0.090)	0.068 (0.105)	-0.126 (0.125)
A-Level or equivalent	-0.077 (0.088)	0.214* (0.087)	0.126 (0.101)	0.099 (0.120)
GCSE or equivalent	-0.213** (0.083)	0.184* (0.081)	0.147 (0.094)	0.262* (0.113)
Other qualification	-0.091 (0.091)	0.110 (0.089)	0.155 (0.104)	0.248* (0.124)
Ethnicity (ref: white)				
Mixed race	-0.139 (0.201)	-0.131 (0.197)	-0.133 (0.230)	-0.383 (0.274)
Indian	0.143 (0.169)	0.121 (0.166)	0.101 (0.193)	-0.342 (0.230)
Pakistani	0.141 (0.156)	-0.114 (0.152)	-0.304+ (0.178)	-0.321 (0.212)
Bangladeshi	-0.091 (0.224)	-0.070 (0.219)	-0.330 (0.256)	0.184 (0.305)
Chinese	0.353 (0.417)	-0.479 (0.408)	-0.037 (0.477)	-1.037+ (0.568)
Other Asian	0.318 (0.216)	-0.225 (0.211)	0.452+ (0.247)	-0.314 (0.294)
Black	-0.530*** (0.104)	-0.346*** (0.102)	-0.325** (0.120)	-0.058 (0.143)
Arab	-1.282*** (0.291)	-1.221*** (0.285)	-1.376*** (0.333)	-0.760+ (0.397)
Other ethnicity	-0.045 (0.175)	-0.259 (0.171)	-0.100 (0.200)	-0.201 (0.238)
Region (ref: Yorkshire)				
Merseyside	0.035 (0.177)	0.156 (0.173)	-0.030 (0.202)	0.081 (0.241)
London	-0.074 (0.103)	0.155 (0.101)	-0.027 (0.117)	-0.214 (0.140)
North-West	-0.117 (0.115)	0.109 (0.113)	-0.140 (0.131)	-0.125 (0.157)
North-East	-0.029 (0.128)	0.179 (0.125)	0.065 (0.146)	-0.013 (0.174)
East Midlands	0.043 (0.122)	0.079 (0.119)	-0.028 (0.139)	-0.483** (0.166)
Wales	-0.091 (0.138)	0.067 (0.135)	0.117 (0.158)	-0.185 (0.189)
South-East	-0.213+ (0.110)	0.085 (0.108)	-0.124 (0.126)	-0.355* (0.151)

West Midlands	-0.090 (0.112)	-0.055 (0.110)	-0.106 (0.128)	0.351* (0.153)
South-West	-0.017 (0.133)	-0.010 (0.131)	0.052 (0.152)	-0.085 (0.182)
East	-0.100 (0.120)	-0.106 (0.117)	-0.011 (0.137)	0.115 (0.163)
Scotland	0.014 (0.114)	-0.001 (0.112)	0.006 (0.130)	0.104 (0.155)
Demographics				
Age	-0.145*** (0.014)	-0.045*** (0.013)	-0.081*** (0.016)	-0.080*** (0.019)
Age-squared	0.002*** (0.000)	0.000** (0.000)	0.001*** (0.000)	0.001*** (0.000)
Religious	0.177** (0.057)	0.172** (0.056)	0.181** (0.066)	-0.119 (0.078)
Female	0.217*** (0.053)	0.463*** (0.052)	0.105+ (0.061)	-0.245*** (0.072)
Good health	1.026*** (0.058)	0.893*** (0.057)	1.077*** (0.067)	1.115*** (0.079)
Year: 2013	0.103* (0.051)	0.061 (0.050)	0.085 (0.059)	0.131+ (0.070)
Constant	8.577	6.381	7.265	7.580
R ²	0.112	0.0715	0.0664	0.0500
Adjusted R ²	0.107	0.0663	0.0612	0.0447
N	7042	7042	7042	7042
Log-likelihood	-15334.5	-15195.1	-16282.3	-17522.7
BIC	31023.4	30744.5	32919.0	35399.9

Standard errors in parentheses

+ p<.10, * p<.05, ** p<.01, *** p<.001

Table A3.15 OLS Regressions (With Full Control Variables Shown) of Well-Being By Labour Market History (a)

	Model 1	Model 2	Model 3	Model 4
	Life satisfaction	Life worth	Happiness	Anxiety
Current employment status (ref: unemployed)				
ALMP (occupational history)	0.087 (0.064)	0.180** (0.061)	0.135+ (0.079)	-0.358*** (0.104)
ALMP (weak occupational history)	0.313*** (0.068)	0.274*** (0.066)	0.315*** (0.084)	0.335** (0.111)
Employed	0.913*** (0.016)	0.654*** (0.015)	0.410*** (0.019)	0.407*** (0.025)
Self-employed	0.883*** (0.019)	0.762*** (0.018)	0.457*** (0.023)	0.377*** (0.031)
Retired	1.177*** (0.023)	0.689*** (0.022)	0.760*** (0.028)	0.816*** (0.038)
Sick/disabled	-0.028 (0.021)	-0.332*** (0.020)	-0.336*** (0.026)	-0.427*** (0.035)
Family care	0.856*** (0.021)	0.820*** (0.020)	0.465*** (0.026)	0.437*** (0.034)
Student	0.944*** (0.026)	0.773*** (0.026)	0.439*** (0.033)	0.034 (0.043)
Unpaid family work	0.844*** (0.077)	0.655*** (0.074)	0.552*** (0.095)	0.172 (0.126)
Other status	0.780*** (0.028)	0.424*** (0.027)	0.402*** (0.034)	0.362*** (0.045)
Controls				
Housing tenure (ref: own outright)				
Mortgage	-0.153*** (0.011)	-0.051*** (0.010)	-0.104*** (0.013)	-0.127*** (0.017)
Part own	-0.234*** (0.047)	-0.070 (0.045)	-0.083 (0.058)	-0.141+ (0.076)
Rent	-0.336*** (0.012)	-0.155*** (0.011)	-0.226*** (0.014)	-0.236*** (0.019)
Rent/squat	-0.094* (0.039)	0.081* (0.038)	0.021 (0.049)	-0.057 (0.064)
Marital status (ref: single)				
Married	0.487*** (0.009)	0.358*** (0.009)	0.398*** (0.012)	0.150*** (0.016)
Separated	-0.236*** (0.019)	-0.013 (0.019)	-0.109*** (0.024)	-0.144*** (0.032)
Divorced	-0.040** (0.013)	0.038** (0.013)	-0.006 (0.017)	-0.046* (0.022)
Widowed	-0.379*** (0.026)	-0.095*** (0.025)	-0.222*** (0.032)	-0.086* (0.043)
Highest qualification (ref: none)				
Higher education	0.043** (0.014)	0.235*** (0.013)	0.077*** (0.017)	-0.110*** (0.023)
A-Level or equivalent	0.013 (0.014)	0.161*** (0.014)	0.048** (0.018)	0.027 (0.024)
GCSE or equivalent	-0.033* (0.014)	0.110*** (0.014)	0.024 (0.018)	0.074** (0.024)
Other qualification	0.011 (0.016)	0.071*** (0.016)	0.061** (0.020)	0.042 (0.027)
Ethnicity (ref: white)				
Mixed race	-0.218*** (0.037)	-0.001 (0.035)	-0.041 (0.046)	-0.179** (0.060)
Indian	-0.118*** (0.024)	-0.121*** (0.023)	0.035 (0.029)	-0.198*** (0.039)
Pakistani	-0.184*** (0.031)	-0.224*** (0.030)	-0.159*** (0.039)	-0.174*** (0.051)
Bangladeshi	-0.330*** (0.049)	-0.272*** (0.047)	-0.055 (0.061)	-0.124 (0.081)
Chinese	-0.172*** (0.044)	-0.258*** (0.043)	0.060 (0.055)	0.021 (0.073)
Other Asian	-0.003 (0.035)	-0.169*** (0.034)	0.071+ (0.043)	-0.092 (0.057)
Black	-0.447*** (0.022)	-0.088*** (0.021)	-0.117*** (0.027)	0.142*** (0.036)
Arab	-0.207*** (0.062)	-0.298*** (0.060)	-0.328*** (0.077)	-0.313** (0.101)
Other ethnicity	-0.151*** (0.032)	-0.214*** (0.031)	-0.092* (0.040)	-0.203*** (0.053)

Region (ref: Yorkshire)				
Merseyside	-0.088*** (0.026)	-0.049+ (0.025)	-0.151*** (0.033)	-0.137** (0.043)
London	-0.074*** (0.015)	-0.125*** (0.015)	0.002 (0.019)	-0.202*** (0.025)
North-West	-0.019 (0.016)	-0.025 (0.016)	0.006 (0.020)	-0.015 (0.027)
North-East	0.030 (0.020)	-0.009 (0.019)	-0.023 (0.025)	-0.020 (0.033)
East Midlands	-0.016 (0.017)	-0.034* (0.017)	0.036+ (0.021)	-0.003 (0.028)
Wales	-0.011 (0.020)	0.007 (0.019)	0.047+ (0.024)	0.023 (0.032)
South-East	-0.006 (0.015)	-0.027+ (0.014)	0.006 (0.018)	-0.026 (0.024)
West Midlands	-0.070*** (0.017)	-0.109*** (0.016)	-0.022 (0.021)	0.168*** (0.027)
South-West	0.016 (0.017)	-0.022 (0.016)	0.016 (0.021)	0.015 (0.027)
East	-0.022 (0.016)	-0.055*** (0.016)	0.033 (0.020)	0.016 (0.026)
Scotland	0.087*** (0.016)	-0.003 (0.016)	0.072*** (0.020)	0.114*** (0.027)
Demographics				
Age	-0.101*** (0.002)	-0.053*** (0.002)	-0.073*** (0.003)	-0.070*** (0.004)
Age-squared	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)
Religious	0.114*** (0.008)	0.182*** (0.008)	0.148*** (0.010)	-0.063*** (0.013)
Female	0.116*** (0.007)	0.274*** (0.007)	0.072*** (0.009)	-0.229*** (0.012)
Good health	0.960*** (0.010)	0.688*** (0.009)	0.989*** (0.012)	1.106*** (0.016)
Year: 2013	0.040*** (0.007)	0.030*** (0.007)	0.013 (0.009)	0.092*** (0.011)
Constant	7.814	7.037	7.239	7.298
R ²	0.164	0.120	0.0851	0.0531
Adjusted R ²	0.164	0.120	0.0850	0.0529
N	241180	241180	241180	241180
Log-likelihood	-470388.1	-462120.7	-522945.6	-589817.2
BIC	941383.5	924848.7	1046498.5	1180241.6

Standard errors in parentheses
+ p<.10, * p<.05, ** p<.01, *** p<.001

Table A3.16 OLS Regressions (With Full Control Variables Shown) of Well-Being By Labour Market History (b)

	Model 1	Model 2	Model 3	Model 4
	Life satisfaction	Life worth	Happiness	Anxiety
Current employment status (ref: unemployed)				
ALMP (professional)	-0.143 (0.136)	0.251+ (0.131)	-0.333* (0.169)	-0.651** (0.223)
ALMP (intermediate)	0.195+ (0.118)	0.322** (0.114)	0.218 (0.146)	-0.196 (0.193)
ALMP (routine)	0.122 (0.088)	0.072 (0.085)	0.282** (0.109)	-0.325* (0.144)
ALMP (weak occupational history)	0.313*** (0.068)	0.274*** (0.066)	0.315*** (0.084)	0.335** (0.111)
Employed	0.913*** (0.016)	0.654*** (0.015)	0.410*** (0.019)	0.407*** (0.025)
Self-employed	0.882*** (0.019)	0.762*** (0.018)	0.457*** (0.023)	0.377*** (0.031)
Retired	1.177*** (0.023)	0.689*** (0.022)	0.759*** (0.028)	0.816*** (0.038)
Sick/disabled	-0.028 (0.021)	-0.332*** (0.020)	-0.336*** (0.026)	-0.427*** (0.035)
Family care	0.856*** (0.021)	0.820*** (0.020)	0.465*** (0.026)	0.437*** (0.034)
Student	0.944*** (0.026)	0.773*** (0.026)	0.439*** (0.033)	0.034 (0.043)
Unpaid family work	0.844*** (0.077)	0.655*** (0.074)	0.551*** (0.095)	0.171 (0.126)
Other status	0.780*** (0.028)	0.424*** (0.027)	0.402*** (0.034)	0.362*** (0.045)
Controls				
Housing tenure (ref: own outright)				
Mortgage	-0.153*** (0.011)	-0.051*** (0.010)	-0.104*** (0.013)	-0.127*** (0.017)
Part own	-0.234*** (0.047)	-0.070 (0.045)	-0.083 (0.058)	-0.141+ (0.076)
Rent	-0.336*** (0.012)	-0.155*** (0.011)	-0.226*** (0.014)	-0.237*** (0.019)
Rent free/squat	-0.094* (0.039)	0.081* (0.038)	0.021 (0.049)	-0.057 (0.064)
Marital status (ref: single)				
Married	0.488*** (0.009)	0.358*** (0.009)	0.398*** (0.012)	0.150*** (0.016)
Separated	-0.235*** (0.019)	-0.013 (0.019)	-0.108*** (0.024)	-0.144*** (0.032)
Divorced	-0.040** (0.013)	0.038** (0.013)	-0.005 (0.017)	-0.046* (0.022)
Widowed	-0.379*** (0.026)	-0.095*** (0.025)	-0.222*** (0.032)	-0.086* (0.043)
Highest qualification level (ref: none)				
Higher education	0.043** (0.014)	0.234*** (0.013)	0.077*** (0.017)	-0.110*** (0.023)
A-Level or equivalent	0.013 (0.014)	0.161*** (0.014)	0.048** (0.018)	0.027 (0.024)
GCSE or equivalent	-0.033* (0.014)	0.110*** (0.014)	0.024 (0.018)	0.074** (0.024)
Other qualification	0.010 (0.016)	0.071*** (0.016)	0.060** (0.020)	0.041 (0.027)
Ethnicity (ref: white)				
Mixed race	-0.219*** (0.037)	-0.001 (0.035)	-0.042 (0.046)	-0.179** (0.060)
Indian	-0.118*** (0.024)	-0.121*** (0.023)	0.034 (0.029)	-0.198*** (0.039)
Pakistani	-0.184*** (0.031)	-0.224*** (0.030)	-0.159*** (0.039)	-0.174*** (0.051)
Bangladeshi	-0.330*** (0.049)	-0.272*** (0.047)	-0.054 (0.061)	-0.124 (0.081)
Chinese	-0.172*** (0.044)	-0.258*** (0.043)	0.060 (0.055)	0.021 (0.073)
Other Asian	-0.003 (0.035)	-0.169*** (0.034)	0.071+ (0.043)	-0.092 (0.057)

Black	-0.446*** (0.022)	-0.088*** (0.021)	-0.116*** (0.027)	0.142*** (0.036)
Arab	-0.207*** (0.062)	-0.298*** (0.060)	-0.329*** (0.077)	-0.314** (0.101)
Other ethnicity	-0.151*** (0.032)	-0.214*** (0.031)	-0.092* (0.040)	-0.203*** (0.053)
Region (ref: Yorkshire)				
Merseyside	-0.088*** (0.026)	-0.049+ (0.025)	-0.151*** (0.033)	-0.137** (0.043)
London	-0.074*** (0.015)	-0.125*** (0.015)	0.002 (0.019)	-0.202*** (0.025)
North-West	-0.019 (0.016)	-0.025 (0.016)	0.006 (0.020)	-0.015 (0.027)
North-East	0.030 (0.020)	-0.008 (0.019)	-0.023 (0.025)	-0.020 (0.033)
East Midlands	-0.016 (0.017)	-0.034* (0.017)	0.036+ (0.021)	-0.003 (0.028)
Wales	-0.011 (0.020)	0.007 (0.019)	0.047+ (0.024)	0.023 (0.032)
South-East	-0.006 (0.015)	-0.027+ (0.014)	0.006 (0.018)	-0.026 (0.024)
West Midlands	-0.070*** (0.017)	-0.109*** (0.016)	-0.022 (0.021)	0.168*** (0.027)
South-West	0.016 (0.017)	-0.022 (0.016)	0.016 (0.021)	0.015 (0.027)
East	-0.022 (0.016)	-0.056*** (0.016)	0.033+ (0.020)	0.016 (0.026)
Scotland	0.087*** (0.016)	-0.004 (0.016)	0.072*** (0.020)	0.114*** (0.027)
Demographics				
Age	-0.101*** (0.002)	-0.053*** (0.002)	-0.073*** (0.003)	-0.070*** (0.004)
Age-squared	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)
Religious	0.114*** (0.008)	0.182*** (0.008)	0.149*** (0.010)	-0.063*** (0.013)
Female	0.116*** (0.007)	0.274*** (0.007)	0.072*** (0.009)	-0.229*** (0.012)
Good health	0.960*** (0.010)	0.688*** (0.009)	0.989*** (0.012)	1.106*** (0.016)
Year: 2013	0.040*** (0.007)	0.030*** (0.007)	0.013 (0.009)	0.092*** (0.011)
Constant	7.814	7.037	7.238	7.298
R ²	0.164	0.120	0.0852	0.0531
Adjusted R ²	0.164	0.120	0.0850	0.0529
N	241180	241180	241180	241180
Log-likelihood	-470386.1	-462118.9	-522940.6	-589815.9
BIC	941404.3	924870.0	1046513.3	1180263.8

Standard errors in parentheses
+ p<.10, * p<.05, ** p<.01, *** p<.001

Table A3.17 OLS Regressions (With Full Control Variables Shown) of Well-Being By Labour Market History (c)

	Model 1	Model 2	Model 3	Model 4
	Life satisfaction	Life worth	Happiness	Anxiety
Current employment status (ref: unemployed)				
Work-oriented ALMP (occupational history)	0.306+ (0.173)	0.285+ (0.167)	-0.075 (0.215)	-0.262 (0.284)
Work-oriented ALMP (weak occupational history)	0.783*** (0.158)	0.776*** (0.153)	0.537** (0.196)	0.618* (0.259)
Employment-assistance ALMP (occupational history)	0.003 (0.089)	0.007 (0.086)	0.195+ (0.110)	-0.542*** (0.145)
Employment-assistance ALMP (weak occupational history)	0.225* (0.095)	0.233* (0.092)	0.389*** (0.118)	0.416** (0.156)
Other ALMP (occupational history)	0.123 (0.103)	0.378*** (0.099)	0.127 (0.128)	-0.142 (0.169)
Other ALMP (weak occupational history)	0.190 (0.117)	0.062 (0.113)	0.077 (0.146)	0.055 (0.193)
Employed	0.913*** (0.016)	0.654*** (0.015)	0.410*** (0.019)	0.407*** (0.025)
Self-employed	0.883*** (0.019)	0.762*** (0.018)	0.457*** (0.023)	0.377*** (0.031)
Retired	1.177*** (0.023)	0.689*** (0.022)	0.760*** (0.028)	0.816*** (0.038)
Sick/disabled	-0.028 (0.021)	-0.333*** (0.020)	-0.337*** (0.026)	-0.427*** (0.035)
Family care	0.856*** (0.021)	0.821*** (0.020)	0.465*** (0.026)	0.437*** (0.034)
Student	0.944*** (0.026)	0.774*** (0.026)	0.439*** (0.033)	0.034 (0.043)
Unpaid family work	0.844*** (0.077)	0.655*** (0.074)	0.552*** (0.095)	0.172 (0.126)
Other status	0.780*** (0.028)	0.424*** (0.027)	0.402*** (0.034)	0.362*** (0.045)
Controls				
Housing tenure (ref: own outright)				
Mortgage	-0.153*** (0.011)	-0.051*** (0.010)	-0.104*** (0.013)	-0.127*** (0.017)
Part-own	-0.234*** (0.047)	-0.070 (0.045)	-0.083 (0.058)	-0.141+ (0.076)
Rent	-0.336*** (0.012)	-0.155*** (0.011)	-0.226*** (0.014)	-0.236*** (0.019)
Rent free/squat	-0.094* (0.039)	0.081* (0.038)	0.022 (0.049)	-0.056 (0.064)
Marital status (ref: single)				
Married	0.487*** (0.009)	0.358*** (0.009)	0.398*** (0.012)	0.149*** (0.016)
Separated	-0.236*** (0.019)	-0.013 (0.019)	-0.109*** (0.024)	-0.144*** (0.032)
Divorced	-0.040** (0.013)	0.038** (0.013)	-0.006 (0.017)	-0.046* (0.022)
Widowed	-0.379*** (0.026)	-0.096*** (0.025)	-0.222*** (0.032)	-0.087* (0.043)
Highest qualification (ref: none)				
Highest education	0.043** (0.014)	0.234*** (0.013)	0.077*** (0.017)	-0.111*** (0.023)
A-Level or equivalent	0.013 (0.014)	0.161*** (0.014)	0.048** (0.018)	0.027 (0.024)
GCSE or equivalent	-0.033* (0.014)	0.110*** (0.014)	0.024 (0.018)	0.074** (0.024)
Other qualification	0.011 (0.016)	0.071*** (0.016)	0.061** (0.020)	0.041 (0.027)
Ethnicity (ref: white)				

Mixed race	-0.219*** (0.037)	-0.002 (0.035)	-0.041 (0.046)	-0.179** (0.060)
Indian	-0.118*** (0.024)	-0.121*** (0.023)	0.034 (0.029)	-0.198*** (0.039)
Pakistani	-0.185*** (0.031)	-0.225*** (0.030)	-0.159*** (0.039)	-0.174*** (0.051)
Bangladeshi	-0.330*** (0.049)	-0.272*** (0.047)	-0.055 (0.061)	-0.124 (0.081)
Chinese	-0.172*** (0.044)	-0.258*** (0.043)	0.060 (0.055)	0.021 (0.073)
Other Asian	-0.003 (0.035)	-0.169*** (0.034)	0.072+ (0.043)	-0.092 (0.057)
Black	-0.447*** (0.022)	-0.089*** (0.021)	-0.117*** (0.027)	0.142*** (0.036)
Arab	-0.209*** (0.062)	-0.299*** (0.060)	-0.327*** (0.077)	-0.314** (0.101)
Other ethnicity	-0.151*** (0.032)	-0.214*** (0.031)	-0.092* (0.040)	-0.203*** (0.053)
Region (ref: Yorkshire)				
Merseyside	-0.089*** (0.026)	-0.050* (0.025)	-0.151*** (0.033)	-0.137** (0.043)
London	-0.074*** (0.015)	-0.125*** (0.015)	0.002 (0.019)	-0.202*** (0.025)
North-West	-0.019 (0.016)	-0.025 (0.016)	0.007 (0.020)	-0.015 (0.027)
North-East	0.030 (0.020)	-0.008 (0.019)	-0.023 (0.025)	-0.019 (0.033)
East Midlands	-0.016 (0.017)	-0.034* (0.017)	0.036+ (0.021)	-0.003 (0.028)
Wales	-0.011 (0.020)	0.007 (0.019)	0.048+ (0.024)	0.023 (0.032)
South-East	-0.007 (0.015)	-0.028+ (0.014)	0.006 (0.018)	-0.027 (0.024)
West Midlands	-0.070*** (0.017)	-0.109*** (0.016)	-0.021 (0.021)	0.168*** (0.027)
South-West	0.016 (0.017)	-0.022 (0.016)	0.017 (0.021)	0.015 (0.027)
East	-0.022 (0.016)	-0.056*** (0.016)	0.033+ (0.020)	0.016 (0.026)
Scotland	0.086*** (0.016)	-0.004 (0.016)	0.072*** (0.020)	0.113*** (0.027)
Demographics				
Age	-0.101*** (0.002)	-0.053*** (0.002)	-0.073*** (0.003)	-0.070*** (0.004)
Age-squared	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)
Religious	0.114*** (0.008)	0.182*** (0.008)	0.148*** (0.010)	-0.063*** (0.013)
Female	0.115*** (0.007)	0.274*** (0.007)	0.072*** (0.009)	-0.229*** (0.012)
Good health	0.959*** (0.010)	0.688*** (0.009)	0.989*** (0.012)	1.106*** (0.016)
Year: 2013	0.040*** (0.007)	0.030*** (0.007)	0.013 (0.009)	0.092*** (0.011)
Constant	7.812	7.034	7.239	7.297
R ²	0.164	0.120	0.0852	0.0532
Adjusted R ²	0.164	0.120	0.0850	0.0530
N	241180	241180	241180	241180
Log-likelihood	-470381.3	-462109.1	-522942.8	-589813.6
BIC	941419.5	924875.0	1046542.4	1180284.1

Standard errors in parentheses
+ p<.10, * p<.05, ** p<.01, *** p<.001

Table A3.18 OLS Regressions (With Full Control Variables Shown) of Well-Being By Unemployment History (a)

	Model 1	Model 2	Model 3	Model 4
	Life satisfaction	Life worth	Happiness	Anxiety
Current employment status (ref: ALMP)				
Short-term unemployed	-0.019 (0.057)	-0.039 (0.055)	-0.254*** (0.071)	0.023 (0.093)
Long-term unemployed	-0.176** (0.059)	-0.215*** (0.057)	-0.366*** (0.073)	0.219* (0.097)
Employed	0.862*** (0.054)	0.568*** (0.052)	0.134* (0.067)	0.516*** (0.089)
Self-employed	0.831*** (0.055)	0.676*** (0.053)	0.182** (0.069)	0.487*** (0.091)
Retired	1.125*** (0.057)	0.602*** (0.055)	0.484*** (0.071)	0.926*** (0.093)
Sick/disabled	-0.085 (0.056)	-0.424*** (0.054)	-0.615*** (0.070)	-0.316*** (0.092)
Family care	0.804*** (0.056)	0.734*** (0.054)	0.188** (0.069)	0.546*** (0.092)
Student	0.895*** (0.058)	0.690*** (0.056)	0.164* (0.072)	0.140 (0.096)
Unpaid family work	0.793*** (0.093)	0.569*** (0.089)	0.276* (0.115)	0.281+ (0.152)
Other status	0.728*** (0.059)	0.337*** (0.057)	0.126+ (0.073)	0.472*** (0.096)
Controls				
Housing tenure (ref: own outright)				
Mortgage	-0.154*** (0.011)	-0.052*** (0.010)	-0.104*** (0.013)	-0.128*** (0.017)
Part own	-0.225*** (0.047)	-0.069 (0.045)	-0.072 (0.058)	-0.146+ (0.077)
Rent	-0.335*** (0.012)	-0.154*** (0.011)	-0.224*** (0.014)	-0.238*** (0.019)
Rent free/squat	-0.088* (0.039)	0.094* (0.038)	0.030 (0.049)	-0.049 (0.064)
Marital status (ref: single)				
Married	0.485*** (0.009)	0.357*** (0.009)	0.398*** (0.012)	0.149*** (0.016)
Separated	-0.234*** (0.019)	-0.012 (0.019)	-0.105*** (0.024)	-0.141*** (0.032)
Divorced	-0.040** (0.013)	0.038** (0.013)	-0.006 (0.017)	-0.048* (0.022)
Widowed	-0.379*** (0.026)	-0.096*** (0.025)	-0.223*** (0.032)	-0.084* (0.043)
Highest qualification (ref: none)				
Higher education	0.039** (0.014)	0.231*** (0.014)	0.076*** (0.017)	-0.109*** (0.023)
A-Level or equivalent	0.009 (0.014)	0.157*** (0.014)	0.047** (0.018)	0.028 (0.024)
GCSE or equivalent	-0.034* (0.014)	0.107*** (0.014)	0.024 (0.018)	0.077** (0.024)
Other qualification	0.010 (0.016)	0.069*** (0.016)	0.060** (0.020)	0.044 (0.027)
Ethnicity (ref: white)				
Mixed race	-0.223*** (0.037)	-0.004 (0.035)	-0.045 (0.046)	-0.176** (0.060)
Indian	-0.116*** (0.024)	-0.119*** (0.023)	0.033 (0.029)	-0.198*** (0.039)
Pakistani	-0.183*** (0.031)	-0.225*** (0.030)	-0.160*** (0.039)	-0.171*** (0.051)
Bangladeshi	-0.322*** (0.049)	-0.266*** (0.048)	-0.047 (0.061)	-0.129 (0.081)
Chinese	-0.173*** (0.044)	-0.265*** (0.043)	0.055 (0.055)	0.017 (0.073)
Other Asian	-0.003 (0.035)	-0.170*** (0.034)	0.073+ (0.043)	-0.092 (0.057)
Black	-0.448*** (0.022)	-0.087*** (0.021)	-0.121*** (0.027)	0.139*** (0.036)
Arab	-0.211*** (0.062)	-0.298*** (0.060)	-0.325*** (0.077)	-0.320** (0.102)
Other ethnicity	-0.148*** (0.032)	-0.215*** (0.031)	-0.092* (0.040)	-0.201*** (0.053)

Region (ref: Yorkshire)				
Merseyside	-0.088*** (0.026)	-0.050* (0.025)	-0.149*** (0.033)	-0.134** (0.043)
London	-0.077*** (0.015)	-0.127*** (0.015)	-0.000 (0.019)	-0.202*** (0.025)
North-West	-0.021 (0.016)	-0.026+ (0.016)	0.007 (0.020)	-0.014 (0.027)
North-East	0.031 (0.020)	-0.008 (0.019)	-0.021 (0.025)	-0.018 (0.033)
East Midlands	-0.018 (0.017)	-0.034* (0.017)	0.036+ (0.021)	-0.003 (0.028)
Wales	-0.012 (0.020)	0.007 (0.019)	0.048* (0.024)	0.025 (0.032)
South-East	-0.008 (0.015)	-0.029* (0.014)	0.007 (0.018)	-0.025 (0.024)
West Midlands	-0.072*** (0.017)	-0.110*** (0.016)	-0.022 (0.021)	0.169*** (0.027)
South-West	0.014 (0.017)	-0.024 (0.016)	0.017 (0.021)	0.013 (0.027)
East	-0.024 (0.016)	-0.057*** (0.016)	0.036+ (0.020)	0.016 (0.027)
Scotland	0.085*** (0.016)	-0.004 (0.016)	0.073*** (0.020)	0.115*** (0.027)
Demographics				
Age	-0.100*** (0.002)	-0.053*** (0.002)	-0.072*** (0.003)	-0.070*** (0.004)
Age-squared	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)
Religious	0.113*** (0.008)	0.181*** (0.008)	0.149*** (0.010)	-0.062*** (0.013)
Female	0.113*** (0.007)	0.272*** (0.007)	0.073*** (0.009)	-0.229*** (0.012)
Good health	0.956*** (0.010)	0.685*** (0.009)	0.987*** (0.012)	1.107*** (0.016)
Year: 2013	0.039*** (0.007)	0.029*** (0.007)	0.012 (0.009)	0.090*** (0.011)
Constant	7.861	7.116	7.514	7.206
R ²	0.165	0.121	0.0854	0.0532
Adjusted R ²	0.165	0.121	0.0852	0.0530
N	240487	240487	240487	240487
Log-likelihood	-468859.2	-460675.2	-521353.2	-588092.9
BIC	938325.5	921957.5	1043313.6	1176793.0

Standard errors in parentheses
+ p<.10, * p<.05, ** p<.01, *** p<.001

Table A3.19 OLS Regressions (With Full Control Variables Shown) of Well-Being By Unemployment History (b)

	Model 1	Model 2	Model 3	Model 4
	Life satisfaction	Life worth	Happiness	Anxiety
Current employment status (ref: ALMP short-term unemployed)				
Short-term unemployed	0.034 (0.096)	-0.365*** (0.093)	-0.369** (0.120)	0.456** (0.159)
Employed	0.911*** (0.095)	0.242** (0.092)	0.019 (0.118)	0.947*** (0.157)
Self-employed	0.880*** (0.095)	0.349*** (0.092)	0.066 (0.119)	0.917*** (0.158)
Retired	1.177*** (0.096)	0.273** (0.093)	0.366** (0.120)	1.360*** (0.159)
Sick/disabled	-0.030 (0.096)	-0.753*** (0.093)	-0.731*** (0.120)	0.123 (0.159)
Family care	0.860*** (0.096)	0.412*** (0.092)	0.075 (0.120)	0.979*** (0.158)
Student	0.946*** (0.097)	0.360*** (0.094)	0.047 (0.121)	0.570*** (0.160)
Unpaid family work	0.843*** (0.120)	0.242* (0.116)	0.159 (0.150)	0.711*** (0.199)
Other status	0.779*** (0.097)	0.011 (0.094)	0.010 (0.122)	0.904*** (0.161)
Controls				
Housing tenure (ref: own outright)				
Mortgage	-0.155*** (0.011)	-0.054*** (0.010)	-0.104*** (0.013)	-0.123*** (0.018)
Part own	-0.224*** (0.047)	-0.067 (0.045)	-0.076 (0.058)	-0.146+ (0.077)
Rent	-0.344*** (0.012)	-0.164*** (0.011)	-0.230*** (0.015)	-0.243*** (0.019)
Rent free/squat	-0.081* (0.039)	0.105** (0.038)	0.040 (0.049)	-0.030 (0.065)
Marital status (ref: single)				
Married	0.480*** (0.010)	0.352*** (0.009)	0.395*** (0.012)	0.148*** (0.016)
Separated	-0.238*** (0.019)	-0.015 (0.019)	-0.105*** (0.024)	-0.141*** (0.032)
Divorced	-0.041** (0.014)	0.035** (0.013)	-0.008 (0.017)	-0.051* (0.022)
Widowed	-0.392*** (0.026)	-0.106*** (0.025)	-0.235*** (0.032)	-0.092* (0.043)
Highest qualification (ref: none)				
Higher education	0.052*** (0.014)	0.233*** (0.014)	0.080*** (0.018)	-0.108*** (0.023)
A-Level or equivalent	0.021 (0.015)	0.160*** (0.014)	0.050** (0.018)	0.031 (0.024)
GCSE or equivalent	-0.026+ (0.015)	0.104*** (0.014)	0.024 (0.018)	0.075** (0.024)
Other qualification	0.015 (0.017)	0.066*** (0.016)	0.057** (0.021)	0.043 (0.028)
Ethnicity (ref: white)				
Mixed race	-0.240*** (0.037)	-0.014 (0.036)	-0.056 (0.046)	-0.174** (0.061)
Indian	-0.119*** (0.024)	-0.122*** (0.023)	0.035 (0.029)	-0.193*** (0.039)
Pakistani	-0.199*** (0.032)	-0.236*** (0.031)	-0.149*** (0.040)	-0.160** (0.052)
Bangladeshi	-0.327*** (0.050)	-0.271*** (0.048)	-0.037 (0.062)	-0.136 (0.083)
Chinese	-0.173*** (0.044)	-0.262*** (0.042)	0.050 (0.055)	0.020 (0.073)
Other Asian	-0.006 (0.035)	-0.173*** (0.034)	0.057 (0.044)	-0.091 (0.058)
Black	-0.440*** (0.022)	-0.079*** (0.021)	-0.106*** (0.028)	0.159*** (0.037)
Arab	-0.192** (0.063)	-0.256*** (0.061)	-0.295*** (0.078)	-0.273** (0.104)
Other ethnicity	-0.132*** (0.033)	-0.200*** (0.032)	-0.081* (0.041)	-0.197*** (0.054)
Region (ref: Yorkshire)				

Merseyside	-0.093*** (0.026)	-0.059* (0.025)	-0.153*** (0.033)	-0.142** (0.044)
London	-0.074*** (0.015)	-0.130*** (0.015)	0.007 (0.019)	-0.193*** (0.025)
North-West	-0.013 (0.016)	-0.025 (0.016)	0.017 (0.020)	-0.005 (0.027)
North-East	0.032 (0.020)	-0.013 (0.020)	-0.026 (0.025)	-0.019 (0.034)
East Midlands	-0.014 (0.017)	-0.030+ (0.017)	0.048* (0.022)	0.020 (0.029)
Wales	-0.006 (0.020)	0.008 (0.019)	0.050* (0.024)	0.038 (0.032)
South-East	-0.001 (0.015)	-0.028+ (0.014)	0.014 (0.019)	-0.014 (0.025)
West Midlands	-0.067*** (0.017)	-0.106*** (0.016)	-0.016 (0.021)	0.178*** (0.028)
South-West	0.019 (0.017)	-0.020 (0.016)	0.024 (0.021)	0.025 (0.028)
East	-0.021 (0.016)	-0.054*** (0.016)	0.039+ (0.020)	0.021 (0.027)
Scotland	0.090*** (0.016)	0.003 (0.016)	0.080*** (0.021)	0.122*** (0.027)
Demographics				
Age	-0.100*** (0.002)	-0.054*** (0.002)	-0.073*** (0.003)	-0.071*** (0.004)
Age-squared	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)
Religious	0.110*** (0.008)	0.182*** (0.008)	0.149*** (0.010)	-0.060*** (0.013)
Female	0.112*** (0.007)	0.270*** (0.007)	0.074*** (0.009)	-0.226*** (0.012)
Good health	0.954*** (0.010)	0.675*** (0.010)	0.981*** (0.012)	1.110*** (0.016)
Year: 2013	0.038*** (0.007)	0.028*** (0.007)	0.010 (0.009)	0.089*** (0.012)
Constant	7.804*** (0.105)	7.480*** (0.102)	7.648*** (0.132)	6.763*** (0.174)
R ²	0.159	0.116	0.0839	0.0533
Adjusted R ²	0.158	0.116	0.0837	0.0531
N	235025	235025	235025	235025
Log-likelihood	-456146.4	-447991.0	-508413.6	-574363.4
BIC	912886.4	896575.6	1017420.8	1149320.5

Standard errors in parentheses
+ p<.10, * p<.05, ** p<.01, *** p<.001

Table A3.20 OLS Regressions (With Full Control Variables Shown) of Well-Being By Unemployment History (c)

	Model 1	Model 2	Model 3	Model 4
	Life satisfaction	Life worth	Happiness	Anxiety
Current employment status (ref: ALMP long-term unemployed)				
Long-term unemployed	-0.197** (0.069)	-0.063 (0.066)	-0.312*** (0.086)	0.017 (0.113)
Employed	0.839*** (0.065)	0.721*** (0.063)	0.192* (0.081)	0.313** (0.107)
Self-employed	0.806*** (0.066)	0.827*** (0.063)	0.236** (0.082)	0.280** (0.108)
Retired	1.105*** (0.067)	0.751*** (0.065)	0.542*** (0.084)	0.725*** (0.111)
Sick/disabled	-0.111+ (0.066)	-0.279*** (0.064)	-0.565*** (0.083)	-0.520*** (0.109)
Family care	0.790*** (0.066)	0.894*** (0.064)	0.251** (0.083)	0.349** (0.109)
Student	0.888*** (0.068)	0.846*** (0.066)	0.231** (0.085)	-0.057 (0.113)
Unpaid family work	0.773*** (0.098)	0.723*** (0.095)	0.336** (0.123)	0.080 (0.163)
Other status	0.707*** (0.068)	0.490*** (0.066)	0.183* (0.086)	0.269* (0.113)
Controls				
Housing tenure (ref: own outright)				
Mortgage	-0.149*** (0.011)	-0.047*** (0.010)	-0.105*** (0.013)	-0.122*** (0.018)
Part own	-0.212*** (0.046)	-0.058 (0.045)	-0.071 (0.058)	-0.158* (0.077)
Rent	-0.335*** (0.012)	-0.156*** (0.011)	-0.228*** (0.015)	-0.235*** (0.019)
Rent free/squat	-0.087* (0.040)	0.097* (0.038)	0.025 (0.050)	-0.052 (0.066)
Marital status (ref: single)				
Married	0.473*** (0.010)	0.350*** (0.009)	0.387*** (0.012)	0.141*** (0.016)
separated	-0.259*** (0.020)	-0.026 (0.019)	-0.124*** (0.024)	-0.158*** (0.032)
Divorced	-0.044** (0.014)	0.037** (0.013)	-0.012 (0.017)	-0.054* (0.022)
Widowed	-0.386*** (0.026)	-0.098*** (0.025)	-0.231*** (0.032)	-0.077+ (0.043)
Highest qualification (ref: none)				
Higher education	0.044** (0.014)	0.238*** (0.014)	0.074*** (0.018)	-0.111*** (0.023)
A-Level or equivalent	0.012 (0.015)	0.159*** (0.014)	0.049** (0.018)	0.029 (0.024)
GCSE or equivalent	-0.030* (0.015)	0.112*** (0.014)	0.024 (0.018)	0.068** (0.024)
Other qualification	0.013 (0.017)	0.074*** (0.016)	0.069*** (0.021)	0.036 (0.027)
Mixed race	-0.233*** (0.038)	-0.000 (0.036)	-0.052 (0.047)	-0.161** (0.062)
Indian	-0.122*** (0.024)	-0.130*** (0.023)	0.032 (0.030)	-0.193*** (0.039)
Pakistani	-0.201*** (0.032)	-0.225*** (0.031)	-0.184*** (0.040)	-0.166** (0.053)
Bangladeshi	-0.381*** (0.050)	-0.310*** (0.049)	-0.061 (0.063)	-0.131 (0.083)
Chinese	-0.193*** (0.045)	-0.252*** (0.043)	0.059 (0.056)	0.035 (0.074)
Other Asian	-0.011 (0.036)	-0.152*** (0.034)	0.066 (0.044)	-0.064 (0.059)
Black	-0.455*** (0.022)	-0.092*** (0.022)	-0.130*** (0.028)	0.129*** (0.037)
Arab	-0.207** (0.063)	-0.307*** (0.061)	-0.325*** (0.079)	-0.317** (0.105)
Other ethnicity	-0.179*** (0.033)	-0.235*** (0.032)	-0.087* (0.041)	-0.161** (0.055)
Region (ref: Yorkshire)				
Merseyside	-0.093*** (0.026)	-0.056* (0.026)	-0.151*** (0.033)	-0.131** (0.044)

London	-0.080*** (0.016)	-0.140*** (0.015)	-0.004 (0.019)	-0.210*** (0.026)
North-West	-0.024 (0.016)	-0.038* (0.016)	-0.005 (0.021)	-0.033 (0.027)
North-East	0.023 (0.020)	-0.026 (0.020)	-0.038 (0.025)	-0.034 (0.034)
East Midlands	-0.024 (0.017)	-0.048** (0.017)	0.016 (0.022)	-0.008 (0.029)
Wales	-0.014 (0.020)	-0.004 (0.019)	0.038 (0.025)	0.015 (0.033)
South-East	-0.016 (0.015)	-0.045** (0.014)	-0.004 (0.019)	-0.032 (0.025)
West Midlands	-0.071*** (0.017)	-0.119*** (0.016)	-0.027 (0.021)	0.153*** (0.028)
South-West	0.010 (0.017)	-0.039* (0.016)	0.002 (0.021)	0.000 (0.028)
East	-0.029+ (0.016)	-0.068*** (0.016)	0.033 (0.020)	0.008 (0.027)
Scotland	0.075*** (0.017)	-0.018 (0.016)	0.058** (0.021)	0.101*** (0.027)
Demographics				
Age	-0.097*** (0.002)	-0.053*** (0.002)	-0.070*** (0.003)	-0.068*** (0.004)
Age-squared	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)
Religious	0.116*** (0.008)	0.182*** (0.008)	0.149*** (0.010)	-0.062*** (0.013)
Female	0.104*** (0.007)	0.262*** (0.007)	0.065*** (0.009)	-0.237*** (0.012)
Good health	0.954*** (0.010)	0.674*** (0.010)	0.981*** (0.012)	1.109*** (0.016)
Year: 2013	0.035*** (0.007)	0.023*** (0.007)	0.006 (0.009)	0.088*** (0.012)
Constant	7.826	6.991	7.424	7.364
R ²	0.162	0.119	0.0852	0.0531
Adjusted R ²	0.161	0.119	0.0850	0.0529
N	232156	232156	232156	232156
Log-likelihood	-450355.0	-442615.2	-502129.5	-567131.4
BIC	901303.0	885823.5	1004852.0	1134855.8

Standard errors in parentheses

+ p<.10, * p<.05, ** p<.01, *** p<.001

Table A3.21 OLS Regressions (With Full Control Variables Shown) of Indicators of Life Satisfaction by ‘Active’ and ‘Non-Active’ Unemployment

	Model 1	Model 2
	Life satisfaction	Life satisfaction
Current employment status (ref: ‘active’ unemployed Model 1; ‘highly active’ unemployed Model 2)		
‘Non-active’ unemployed	-0.228*** (0.046)	-0.190*** (0.051)
ALMP	0.335*** (0.099)	0.373*** (0.102)
‘Partly active’ unemployed	-	0.125+ (0.070)
Employed	0.317*** (0.034)	0.355*** (0.040)
Student	0.361*** (0.043)	0.399*** (0.048)
Family care	0.316*** (0.039)	0.354*** (0.044)
Sick/disabled	-0.170*** (0.040)	-0.132** (0.046)
Retired	0.377*** (0.041)	0.415*** (0.046)
Other status	0.137** (0.049)	0.175*** (0.053)
Controls		
Housing tenure (ref: own outright)		
Mortgage	-0.017 (0.015)	-0.017 (0.015)
Part own	-0.069 (0.060)	-0.070 (0.060)
Rent	-0.109*** (0.017)	-0.109*** (0.017)
Rent free/squat	-0.056 (0.046)	-0.056 (0.046)
Marital status (ref: single)		
Married	0.249*** (0.014)	0.250*** (0.014)
Separated	-0.099** (0.032)	-0.099** (0.032)
Divorced	-0.003 (0.023)	-0.002 (0.023)
Widowed	0.056 (0.044)	0.057 (0.044)
Highest qualification (ref: none)		
Higher education	0.002 (0.015)	0.003 (0.015)
A-Level or equivalent	-0.039* (0.016)	-0.039* (0.016)
GCSE or equivalent	-0.064*** (0.014)	-0.064*** (0.014)
Other qualification	0.003 (0.035)	0.003 (0.035)
Ethnicity (ref: white)		
Mixed race	-0.040 (0.057)	-0.041 (0.057)
Indian	-0.120*** (0.035)	-0.120*** (0.035)
Pakistani	-0.108* (0.043)	-0.109* (0.043)
Bangladeshi	-0.200** (0.065)	-0.201** (0.065)
Chinese	-0.034 (0.078)	0.000 (.)
Other Asian	-0.132* (0.056)	-0.132* (0.056)
Black	-0.174*** (0.034)	-0.174*** (0.034)
Chinese	0.000 (.)	
Other ethnicity	-0.048 (0.054)	-0.049 (0.054)

Region (ref: Yorkshire)			
London		-0.053* (0.022)	-0.053* (0.022)
North-West		-0.006 (0.022)	-0.006 (0.022)
North-East		0.038 (0.029)	0.036 (0.029)
West Midlands		-0.085*** (0.023)	-0.085*** (0.023)
East Midlands		-0.103*** (0.025)	-0.103*** (0.025)
East		-0.144*** (0.023)	-0.144*** (0.023)
South-East		-0.033 (0.021)	-0.033 (0.021)
South-West		-0.020 (0.023)	-0.020 (0.023)
Wales		-0.051+ (0.027)	-0.050+ (0.027)
Demographics			
Age		-0.042*** (0.003)	-0.042*** (0.003)
Age-squared		0.000*** (0.000)	0.000*** (0.000)
Religion: very important		0.179*** (0.015)	0.178*** (0.015)
Religion: somewhat important		0.057*** (0.013)	0.058*** (0.013)
Female		0.072*** (0.011)	0.072*** (0.011)
Log income		0.021*** (0.002)	0.021*** (0.002)
Year: 2011		-0.012 (0.010)	-0.012 (0.010)
Constant		4.582	4.545
R ²		0.102	0.102
Adjusted R ²		0.0999	0.1000
N		22056	22056
Log-likelihood		-25067.5	-25065.9
BIC		50585.0	50591.8

Standard errors in parentheses
+ p<.10, * p<.05, ** p<.01, *** p<.001

Table A3.22 OLS Regressions (With Full Control Variables Shown) of Life Satisfaction by Type of Participatory Activity

	Model 1: education	Model 2: youth activity	Model 3: adult education	Model 4: sport	Model 5: religion	Model 6: politics	Model 7: elderly	Model 8: social welfare	Model 9: safety	Model 10: environm ent	Model 11: human rights	Model 12: communi ty	Model 13: citizens	Model 14: arts
	Life satisfacti on	Life satisfacti on	Life satisfacti on	Life satisfacti on	Life satisfacti on	Life satisfacti on	Life satisfacti on	Life satisfacti on	Life satisfacti on	Life satisfacti on	Life satisfacti on	Life satisfacti on	Life satisfacti on	Life satisfacti on
Current employment status (ref: unemployed participant)														
ALMP	0.356** (0.112)	0.234+ (0.123)	0.281* (0.119)	0.362*** (0.106)	0.469*** (0.117)	0.218 (0.180)	0.378* (0.152)	0.418** (0.129)	0.318* (0.139)	0.563*** (0.143)	0.318+ (0.189)	-0.023 (0.130)	0.124 (0.305)	0.256* (0.110)
Unemplo yed (non- participa nt)	-0.105 (0.067)	-0.231** (0.084)	-0.183* (0.078)	-0.107+ (0.056)	0.027 (0.074)	-0.233 (0.155)	-0.070 (0.121)	-0.029 (0.092)	-0.134 (0.105)	0.123 (0.110)	-0.130 (0.165)	-0.500*** (0.093)	-0.323 (0.291)	-0.227*** (0.063)
Employe d	0.337*** (0.062)	0.215** (0.081)	0.262*** (0.074)	0.344*** (0.050)	0.451*** (0.070)	0.199 (0.154)	0.359** (0.119)	0.399*** (0.089)	0.299** (0.103)	0.544*** (0.108)	0.299+ (0.164)	-0.040 (0.091)	0.106 (0.290)	0.236*** (0.059)
Student	0.380*** (0.067)	0.259** (0.085)	0.306*** (0.079)	0.387*** (0.056)	0.494*** (0.075)	0.243 (0.156)	0.403*** (0.122)	0.443*** (0.093)	0.343** (0.106)	0.588*** (0.111)	0.342* (0.166)	0.002 (0.095)	0.149 (0.291)	0.281*** (0.064)
Family care	0.338*** (0.065)	0.216** (0.083)	0.262*** (0.077)	0.344*** (0.054)	0.451*** (0.073)	0.200 (0.155)	0.360** (0.121)	0.400*** (0.091)	0.300** (0.105)	0.545*** (0.110)	0.299+ (0.165)	-0.040 (0.093)	0.106 (0.291)	0.237*** (0.062)
Sick/disa bled	-0.149* (0.066)	0.271** (0.084)	0.224** (0.078)	0.143** (0.055)	0.035 (0.074)	0.286+ (0.155)	0.126 (0.121)	0.087 (0.092)	0.187+ (0.106)	0.058 (0.110)	0.187 (0.166)	0.526*** (0.093)	0.380 (0.291)	0.250*** (0.063)
Retired	0.397*** (0.066)	0.275** (0.084)	0.322*** (0.078)	0.404*** (0.055)	0.511*** (0.074)	0.260+ (0.156)	0.419*** (0.121)	0.459*** (0.092)	0.360*** (0.106)	0.604*** (0.110)	0.359* (0.166)	0.020 (0.093)	0.166 (0.291)	0.297*** (0.063)
Other status	0.158* (0.071)	0.036 (0.088)	0.083 (0.082)	0.164** (0.061)	0.271*** (0.079)	0.020 (0.158)	0.180 (0.124)	0.220* (0.096)	0.120 (0.099)	0.365** (0.113)	0.120 (0.168)	0.220* (0.097)	0.074 (0.292)	0.057 (0.068)
Controls														
Housing tenure (ref: own outright)														
Mortgag e	-0.016 (0.015)	-0.017 (0.015)	-0.017 (0.015)	-0.016 (0.015)	-0.016 (0.015)	-0.016 (0.015)	-0.016 (0.015)	-0.016 (0.015)	-0.016 (0.015)	-0.016 (0.015)	-0.016 (0.015)	-0.017 (0.015)	-0.016 (0.015)	-0.017 (0.015)
Part own	0.068 (0.060)	0.068 (0.060)	0.068 (0.060)	0.069 (0.060)	0.069 (0.060)	0.068 (0.060)	0.069 (0.060)	0.069 (0.060)	0.068 (0.060)	0.069 (0.060)	0.069 (0.060)	0.068 (0.060)	0.069 (0.060)	0.068 (0.060)
Rent	-	-	-	-	-	-	-	-	-	-	-	-	-	-

	0.110*** (0.017)	0.110*** (0.017)	0.110*** (0.017)	0.109*** (0.017)	0.109*** (0.017)	0.109*** (0.017)	0.109*** (0.017)	0.109*** (0.017)	0.109*** (0.017)	0.109*** (0.017)	0.110*** (0.017)	0.109*** (0.017)	0.110*** (0.017)	0.109*** (0.017)	0.109*** (0.017)
Rent free/squat	- 0.056 (0.046)	- 0.056 (0.046)	- 0.059 (0.046)	- 0.055 (0.046)	- 0.057 (0.046)	- 0.057 (0.046)	- 0.057 (0.046)	- 0.057 (0.046)	- 0.057 (0.046)	- 0.057 (0.046)	- 0.058 (0.046)	- 0.057 (0.046)	- 0.055 (0.046)	- 0.057 (0.046)	- 0.062 (0.046)
Marital status (ref: single)															
Married	0.249*** (0.014)	0.250*** (0.014)	0.250*** (0.014)	0.250*** (0.014)	0.250*** (0.014)	0.250*** (0.014)	0.250*** (0.014)	0.250*** (0.014)	0.250*** (0.014)	0.249*** (0.014)	0.249*** (0.014)	0.250*** (0.014)	0.249*** (0.014)	0.249*** (0.014)	0.250*** (0.014)
Separated	- 0.100** (0.032)	- 0.098** (0.032)	- 0.098** (0.032)	- 0.099** (0.032)	- 0.099** (0.032)	- 0.099** (0.032)	- 0.099** (0.032)	- 0.099** (0.032)	- 0.099** (0.032)	- 0.099** (0.032)	- 0.099** (0.032)	- 0.099** (0.032)	- 0.099** (0.032)	- 0.099** (0.032)	- 0.098** (0.032)
Divorced	- 0.003 (0.023)	- 0.003 (0.023)	- 0.002 (0.023)	- 0.002 (0.023)	- 0.002 (0.023)	- 0.002 (0.023)	- 0.002 (0.023)	- 0.002 (0.023)	- 0.002 (0.023)	- 0.002 (0.023)	- 0.002 (0.023)	- 0.002 (0.023)	- 0.003 (0.023)	- 0.002 (0.023)	- 0.002 (0.023)
Widowed	0.057 (0.044)	0.058 (0.044)	0.059 (0.044)	0.058 (0.044)	0.058 (0.044)	0.058 (0.044)	0.058 (0.044)	0.058 (0.044)	0.058 (0.044)	0.058 (0.044)	0.058 (0.044)	0.058 (0.044)	0.056 (0.044)	0.058 (0.044)	0.058 (0.044)
Highest qualification (ref: none)															
Degree	0.004 (0.015)	0.004 (0.015)	0.004 (0.015)	0.004 (0.015)	0.004 (0.015)	0.004 (0.015)	0.005 (0.015)	0.004 (0.015)	0.004 (0.015)	0.004 (0.015)	0.005 (0.015)	0.004 (0.015)	0.002 (0.015)	0.004 (0.015)	0.003 (0.015)
A-Level or equivalent	- 0.038* (0.016)	- 0.038* (0.016)	- 0.039* (0.016)	- 0.038* (0.016)	- 0.038* (0.016)	- 0.038* (0.016)	- 0.038* (0.016)	- 0.038* (0.016)	- 0.038* (0.016)	- 0.038* (0.016)	- 0.038* (0.016)	- 0.038* (0.016)	- 0.040* (0.016)	- 0.038* (0.016)	- 0.038* (0.016)
GCSE or equivalent	- 0.065*** (0.014)	- 0.065*** (0.014)	- 0.065*** (0.014)	- 0.065*** (0.014)	- 0.065*** (0.014)	- 0.065*** (0.014)	- 0.065*** (0.014)	- 0.065*** (0.014)	- 0.065*** (0.014)	- 0.065*** (0.014)	- 0.065*** (0.014)	- 0.065*** (0.014)	- 0.065*** (0.014)	- 0.065*** (0.014)	- 0.064*** (0.014)
Other qualification	0.001 (0.035)	0.002 (0.035)	0.003 (0.035)	0.003 (0.035)	0.002 (0.035)	0.002 (0.035)	0.003 (0.035)	0.002 (0.035)	0.002 (0.035)	0.002 (0.035)	0.003 (0.035)	0.002 (0.035)	0.001 (0.035)	0.003 (0.035)	0.003 (0.035)
Ethnicity (ref: white)															
Mixed race	- 0.040 (0.057)	- 0.041 (0.057)	- 0.040 (0.057)	- 0.040 (0.057)	- 0.040 (0.057)	- 0.039 (0.057)	- 0.040 (0.057)	- 0.040 (0.057)	- 0.040 (0.057)	- 0.040 (0.057)	- 0.040 (0.057)	- 0.040 (0.057)	- 0.038 (0.057)	- 0.041 (0.057)	- 0.041 (0.057)
Indian	- 0.120*** (0.035)	- 0.120*** (0.035)	- 0.120*** (0.035)	- 0.120*** (0.035)	- 0.120*** (0.035)	- 0.120*** (0.035)	- 0.120*** (0.035)	- 0.120*** (0.035)	- 0.120*** (0.035)	- 0.120*** (0.035)	- 0.121*** (0.035)	- 0.120*** (0.035)	- 0.119*** (0.035)	- 0.120*** (0.035)	- 0.119*** (0.035)
Pakistani	- 0.110** (0.043)	- 0.111** (0.043)	- 0.110* (0.043)	- 0.110* (0.043)	- 0.110* (0.043)	- 0.109* (0.043)	- 0.110** (0.043)	- 0.110* (0.043)	- 0.110* (0.043)	- 0.110* (0.043)	- 0.111** (0.043)	- 0.110* (0.043)	- 0.109* (0.043)	- 0.110* (0.043)	- 0.110** (0.043)
Bangladeshi	- 0.203** (0.065)	- 0.203** (0.065)	- 0.203** (0.065)	- 0.202** (0.065)	- 0.203** (0.065)	- 0.202** (0.065)	- 0.202** (0.065)	- 0.202** (0.065)	- 0.202** (0.065)	- 0.202** (0.065)	- 0.203** (0.065)	- 0.203** (0.065)	- 0.201** (0.065)	- 0.202** (0.065)	- 0.200** (0.065)

Chinese	- 0.032 (0.078)	0.000 (.)	0.000 (.)	0.000 (.)	0.000 (.)	0.000 (.)	0.000 (.)	0.000 (.)	0.000 (.)	0.000 (.)	0.000 (.)	0.000 (.)	0.000 (.)	0.000 (.)
Other Asian	- 0.134* (0.056)	- 0.133* (0.056)	- 0.134* (0.056)	- 0.133* (0.056)	- 0.134* (0.056)	- 0.134* (0.056)	- 0.134* (0.056)	- 0.134* (0.056)	- 0.134* (0.056)	- 0.134* (0.056)	- 0.134* (0.056)	- 0.133* (0.055)	- 0.134* (0.056)	- 0.132* (0.056)
Black	- 0.173*** (0.034)	- 0.173*** (0.034)	- 0.172*** (0.034)	- 0.172*** (0.034)	- 0.172*** (0.034)	- 0.172*** (0.034)	- 0.172*** (0.034)	- 0.172*** (0.034)	- 0.173*** (0.034)	- 0.173*** (0.034)	- 0.173*** (0.034)	- 0.173*** (0.034)	- 0.173*** (0.034)	- 0.171*** (0.034)
Chinese	0.000 (.)													
Other ethnicity	- 0.049 (0.054)	- 0.048 (0.054)	- 0.050 (0.054)	- 0.049 (0.054)	- 0.049 (0.054)	- 0.048 (0.054)	- 0.049 (0.054)	- 0.049 (0.054)	- 0.048 (0.054)	- 0.049 (0.054)	- 0.049 (0.054)	- 0.048 (0.054)	- 0.049 (0.054)	- 0.047 (0.054)
Region (ref: Yorkshire)														
London	- 0.053* (0.022)	- 0.053* (0.022)	- 0.052* (0.022)	- 0.053* (0.022)	- 0.052* (0.022)	- 0.053* (0.022)	- 0.053* (0.022)	- 0.053* (0.022)	- 0.052* (0.022)	- 0.053* (0.022)	- 0.052* (0.022)	- 0.054* (0.022)	- 0.053* (0.022)	- 0.053* (0.022)
North-West	- 0.006 (0.022)	- 0.006 (0.022)	- 0.005 (0.022)	- 0.005 (0.022)	- 0.005 (0.022)	- 0.006 (0.022)	- 0.006 (0.022)	- 0.006 (0.022)	- 0.006 (0.022)	- 0.006 (0.022)	- 0.005 (0.022)	- 0.007 (0.022)	- 0.006 (0.022)	- 0.006 (0.022)
North-East	- 0.039 (0.029)	- 0.039 (0.029)	- 0.039 (0.029)	- 0.039 (0.029)	- 0.039 (0.029)	- 0.039 (0.029)	- 0.039 (0.029)	- 0.039 (0.029)	- 0.039 (0.029)	- 0.039 (0.029)	- 0.039 (0.029)	- 0.038 (0.029)	- 0.039 (0.029)	- 0.039 (0.029)
West Midlands	- 0.086*** (0.023)	- 0.087*** (0.023)	- 0.085*** (0.023)	- 0.086*** (0.023)	- 0.085*** (0.023)	- 0.086*** (0.023)	- 0.086*** (0.023)	- 0.086*** (0.023)	- 0.086*** (0.023)	- 0.085*** (0.023)	- 0.085*** (0.023)	- 0.085*** (0.023)	- 0.087*** (0.023)	- 0.086*** (0.023)
East Midlands	- 0.104*** (0.025)	- 0.104*** (0.025)	- 0.103*** (0.025)	- 0.104*** (0.025)	- 0.103*** (0.025)	- 0.103*** (0.025)	- 0.104*** (0.025)	- 0.103*** (0.025)	- 0.103*** (0.025)	- 0.103*** (0.025)	- 0.103*** (0.025)	- 0.103*** (0.025)	- 0.104*** (0.025)	- 0.104*** (0.025)
East	- 0.145*** (0.023)	- 0.144*** (0.023)	- 0.144*** (0.023)	- 0.144*** (0.023)	- 0.144*** (0.023)	- 0.144*** (0.023)	- 0.144*** (0.023)	- 0.144*** (0.023)	- 0.144*** (0.023)	- 0.144*** (0.023)	- 0.144*** (0.023)	- 0.144*** (0.023)	- 0.145*** (0.023)	- 0.144*** (0.023)
South-East	- 0.031 (0.021)	- 0.032 (0.021)	- 0.030 (0.021)	- 0.031 (0.021)	- 0.031 (0.021)	- 0.031 (0.021)	- 0.031 (0.021)	- 0.031 (0.021)	- 0.031 (0.021)	- 0.031 (0.021)	- 0.031 (0.021)	- 0.031 (0.021)	- 0.031 (0.021)	- 0.032 (0.021)
South-West	- 0.020 (0.024)	- 0.019 (0.024)	- 0.018 (0.024)	- 0.018 (0.024)	- 0.019 (0.024)	- 0.019 (0.024)	- 0.019 (0.024)	- 0.019 (0.024)	- 0.018 (0.024)	- 0.018 (0.024)	- 0.019 (0.024)	- 0.021 (0.023)	- 0.019 (0.024)	- 0.020 (0.024)
Wales	- 0.050+ (0.027)	- 0.051+ (0.027)	- 0.049+ (0.027)	- 0.050+ (0.027)	- 0.050+ (0.027)	- 0.050+ (0.027)	- 0.050+ (0.027)	- 0.050+ (0.027)	- 0.050+ (0.027)	- 0.050+ (0.027)	- 0.050+ (0.027)	- 0.050+ (0.027)	- 0.052+ (0.027)	- 0.051+ (0.027)
Demographics														
Age	-	-	-	-	-	-	-	-	-	-	-	-	-	-

	0.042*** (0.003)	0.042*** (0.003)	0.042*** (0.003)	0.042*** (0.003)	0.042*** (0.003)	0.042*** (0.003)	0.042*** (0.003)	0.042*** (0.003)	0.042*** (0.003)	0.042*** (0.003)	0.042*** (0.003)	0.042*** (0.003)	0.042*** (0.003)	0.042*** (0.003)	
Age-squared	0.000*** (0.000)	0.000*** (0.000)	0.000*** (0.000)	0.000*** (0.000)	0.000*** (0.000)	0.000*** (0.000)	0.000*** (0.000)	0.000*** (0.000)	0.000*** (0.000)	0.000*** (0.000)	0.000*** (0.000)	0.000*** (0.000)	0.000*** (0.000)	0.000*** (0.000)	
Religion: very important	0.179*** (0.015)	0.180*** (0.015)	0.179*** (0.015)	0.179*** (0.015)	0.180*** (0.015)	0.179*** (0.015)	0.179*** (0.015)	0.179*** (0.015)	0.179*** (0.015)	0.179*** (0.015)	0.179*** (0.015)	0.179*** (0.015)	0.179*** (0.015)	0.180*** (0.015)	
Religion: important	0.057*** (0.013)	0.058*** (0.013)	0.057*** (0.013)	0.057*** (0.013)	0.057*** (0.013)	0.057*** (0.013)	0.057*** (0.013)	0.057*** (0.013)	0.057*** (0.013)	0.057*** (0.013)	0.057*** (0.013)	0.057*** (0.013)	0.057*** (0.013)	0.058*** (0.013)	
Female	0.071*** (0.011)	0.072*** (0.011)	0.071*** (0.011)	0.072*** (0.011)	0.072*** (0.011)	0.072*** (0.011)	0.072*** (0.011)	0.072*** (0.011)	0.071*** (0.011)	0.072*** (0.011)	0.072*** (0.011)	0.071*** (0.011)	0.072*** (0.011)	0.072*** (0.011)	
Income	0.021*** (0.002)	0.021*** (0.002)	0.021*** (0.002)	0.021*** (0.002)	0.021*** (0.002)	0.021*** (0.002)	0.021*** (0.002)	0.021*** (0.002)	0.021*** (0.002)	0.021*** (0.002)	0.021*** (0.002)	0.021*** (0.002)	0.021*** (0.002)	0.021*** (0.002)	
Year: 2011	- 0.012 (0.010)	- 0.012 (0.010)	- 0.011 (0.010)	- 0.011 (0.010)	- 0.011 (0.010)	- 0.012 (0.010)	- 0.011 (0.010)	- 0.011 (0.010)	- 0.011 (0.010)	- 0.011 (0.010)	- 0.012 (0.010)	- 0.012 (0.010)	- 0.012 (0.010)	- 0.011 (0.010)	- 0.012 (0.010)
Constant	4.571	4.691	4.643	4.560	4.456	4.708	4.547	4.508	4.605	4.361	4.608	4.955	4.801	4.663	
R ²	0.101	0.101	0.101	0.101	0.101	0.101	0.101	0.101	0.101	0.101	0.101	0.102	0.101	0.101	
Adjusted R ²	0.0990	0.0992	0.0991	0.0990	0.0989	0.0990	0.0989	0.0989	0.0990	0.0990	0.0989	0.100	0.0989	0.0994	
N	22056	22056	22056	22056	22056	22056	22056	22056	22056	22056	22056	22056	22056	22056	
Log-likelihood	-25078.3	-25075.8	-25076.8	-25077.8	-25079.5	-25078.5	-25079.4	-25079.5	-25078.8	-25079.0	-25079.3	-25065.2	-25079.0	-25073.1	
BIC	50606.7	50601.6	50603.7	50605.6	50609.1	50607.0	50608.9	50609.1	50607.6	50608.0	50608.6	50580.4	50608.0	50596.3	

Standard errors in parentheses
+ p<.10, * p<.05, ** p<.01, *** p<.001

Table A3.23 OLS Regressions (With Full Control Variables Shown) for Year 1 GHQ-12 by Year 1 GHQ Level for Year 1 Non-ALMP Participants

	Model 1 GHQ-12
GHQ Level Year 1 (Ref: High GHQ)	
Low GHQ	-9.581*** (0.682)
Controls	
Housing tenure (ref: own outright or mortgage)	
Part own	-
Rent	0.235 (0.732)
Rent free	6.159* (2.928)
Other tenure	-
Marital status (ref: single)	
Married	-0.535 (0.967)
Separated	-13.450*** (2.409)
Divorced	-0.652 (1.397)
Widowed	-0.803 (2.977)
Highest qualification (ref: none)	
Higher education	-1.737+ (0.894)
A-Level or equivalent	-0.748 (1.002)
GCSE or equivalent	0.727 (0.916)
Apprentice	-
Other qualification	-1.343 (1.385)
Region (ref: Yorkshire)	
North-East	-0.084 (1.860)
London	0.239 (1.910)
Scotland	-0.127 (1.566)
South-East	-1.386 (1.829)
Wales	-1.367 (1.581)
North-West	-0.272 (1.621)
Midlands	-3.725* (1.658)
Northern Ireland	-1.045 (1.641)
South-West	-1.106 (1.694)
East	-1.430 (2.214)
Demographics	
Age	0.148 (0.181)
Age-squared	-0.002 (0.002)
Female	-0.018 (0.611)
Log income	0.731+ (0.433)
No children	-0.206 (0.690)

Constant	21.537
R ²	0.756
Adjusted R ²	0.704
N	149
Log-likelihood	-380.8
BIC	896.8

Standard errors in parentheses
+ p<.10, * p<.05, ** p<.01, *** p<.001

Table A3.24 OLS Regressions (With Full Control Variables Shown) for GHQ-12 Change/GHQ-12 by Year 1 GHQ Level for Year 2 ALMP Participants

	Model 1 GHQ-12 change Y1-Y2	Model 2 GHQ-12 change Y1-Y2	Model 3 GHQ-12 Y2	Model 4 GHQ-12 Y2
GHQ Level Year 1 (ref: High GHQ)				
Low GHQ Year 1	5.942*** (1.322)	5.944*** (1.319)	-4.413*** (1.139)	-4.391*** (1.140)
Employment status Year 1 (ref: employed)				
Unemployed (Year 1)	-	1.136 (1.519)	-	1.460 (1.313)
Other (Year 1)	-	-1.767 (1.658)	-	-0.588 (1.433)
Controls				
Housing tenure (ref: own or mortgage)				
Part own	3.557 (7.229)	1.997 (7.310)	-2.764 (6.231)	-4.207 (6.317)
Rent	3.990* (1.548)	4.104** (1.555)	3.284* (1.334)	3.273* (1.344)
Rent free/squat	6.319 (5.383)	6.510 (5.424)	7.546 (4.640)	7.294 (4.688)
Other tenure	-	-	-	-
Marital status (ref: single)				
Married	0.776 (1.965)	0.636 (1.975)	0.097 (1.694)	-0.112 (1.706)
Separated	9.270** (3.179)	9.481** (3.234)	5.318+ (2.740)	5.152+ (2.794)
Divorced	1.346 (2.817)	1.600 (2.861)	-0.489 (2.428)	-0.574 (2.473)
Widowed	11.095+ (5.820)	10.553+ (5.844)	8.378+ (5.017)	7.709 (5.050)
Highest qualification (ref: none)				
Higher education	0.373 (1.725)	0.628 (1.732)	-0.188 (1.487)	0.051 (1.497)
A-Level or equivalent	4.004* (2.014)	4.183* (2.017)	4.092* (1.736)	4.294* (1.743)
GCSE or equivalent	-0.838 (1.990)	-0.602 (1.994)	0.359 (1.715)	0.590 (1.723)
Apprentice	-	-	-	-
Other qualification	5.089+ (2.587)	4.699+ (2.599)	3.993+ (2.230)	3.620 (2.246)
Region (ref: Yorkshire)				
North-East	3.627 (3.814)	3.307 (3.840)	3.806 (3.287)	3.342 (3.318)
London	5.598 (3.985)	4.116 (4.113)	6.174+ (3.435)	4.879 (3.555)
Scotland	3.366 (3.260)	2.724 (3.312)	2.797 (2.810)	2.105 (2.862)
South-East	3.328 (3.782)	2.853 (3.871)	1.481 (3.260)	0.745 (3.345)
Wales	2.149 (3.294)	1.688 (3.317)	1.150 (2.839)	0.653 (2.866)
North-West	0.926 (3.393)	-0.025 (3.459)	0.828 (2.924)	-0.039 (2.990)
Midlands	4.457 (3.428)	3.668 (3.464)	1.677 (2.955)	0.994 (2.994)
Northern Ireland	0.137 (3.481)	0.122 (3.487)	0.336 (3.000)	0.161 (3.014)
South-West	1.644 (3.532)	1.225 (3.534)	1.257 (3.044)	0.913 (3.054)
East	5.938 (4.527)	5.486 (4.524)	5.204 (3.902)	4.870 (3.909)
Demographics				
Age	-0.733* (0.362)	-0.670+ (0.370)	-0.610+ (0.312)	-0.532+ (0.320)

Age-squared	0.008 (0.005)	0.007 (0.005)	0.006 (0.004)	0.005 (0.004)
Female	-2.515* (1.206)	-1.476 (1.364)	-2.573* (1.039)	-1.813 (1.179)
Log income	1.307 (0.936)	1.720+ (0.968)	0.912 (0.807)	1.218 (0.837)
No children	-0.319 (1.330)	-0.184 (1.331)	-1.020 (1.146)	-0.961 (1.150)
Constant	-0.769	-5.232	29.464	25.400
R ²	0.345	0.359	0.378	0.389
Adjusted R ²	0.199	0.203	0.240	0.240
N	149	149	149	149
Log-likelihood	-479.8	-478.2	-457.7	-456.4
BIC	1099.7	1106.4	1055.4	1062.9

Standard errors in parentheses
+ p<.10, * p<.05, ** p<.01, *** p<.001

Table A3.25 OLS Regressions (With Full Control Variables Shown) for GHQ-12 (Year 1 and 2) by Year 1 GHQ-12 Level

	Model 1	Model 2
	GHQ-12	GHQ-12
Low GHQ group (ref: Year 2)		
Low GHQ group: Year 1	-4.966*** (1.146)	-
High GHQ group (ref: Year 2)		
High GHQ group: Year 2	-	0.928 (0.683)
Controls		
Housing tenure (ref: own outright or mortgage)		
Part own	-	-5.332 (4.897)
Rent	-1.616 (1.981)	1.867* (0.897)
Rent free/squat	-0.699 (4.277)	6.602 (4.925)
Other tenure	-	-
Marital status (ref: single)		
Married	0.548 (2.683)	-1.291 (1.153)
Separated	-0.156 (3.514)	-2.646 (3.085)
Divorced	1.464 (3.421)	-3.177+ (1.804)
Widowed	-1.136 (7.412)	6.616+ (3.859)
Highest qualification (ref: none)		
Higher education	-1.612 (1.870)	-0.675 (1.117)
A-Level or equivalent	1.413 (2.030)	1.426 (1.324)
GCSE or equivalent	0.517 (2.302)	0.385 (1.166)
Apprentice	-	-
Other qualification	3.673 (4.951)	2.128 (1.531)
Region (ref: Yorkshire)		
North-East	-	1.388 (2.227)
London	6.631+ (3.811)	2.941 (2.774)
Scotland	5.724+ (3.309)	0.147 (2.071)
South-East	1.130 (3.405)	-1.488 (2.552)
Wales	-0.539 (3.257)	-0.206 (2.143)
North-West	3.622 (3.257)	-1.898 (2.165)
Midlands	-1.284 (3.378)	-0.085 (2.236)
Northern Ireland	0.404 (3.871)	-0.097 (2.153)
South-West	3.079 (3.384)	-0.416 (2.449)
East	6.471 (5.808)	0.482 (2.697)
Demographics		
Age	-0.386 (0.565)	-0.154 (0.202)
Age-squared	0.004 (0.007)	0.002 (0.003)
Female	-0.554 (1.440)	-1.567* (0.735)
Log income	-0.044 (1.034)	1.263* (0.545)

No children	-1.623 (1.498)	-0.949 (0.839)
Constant	29.794	21.010
R ²	0.366	0.225
Adjusted R ²	0.163	0.0993
N	104	194
Log-likelihood	-315.0	-556.8
BIC	750.7	1261.1

Standard errors in parentheses
+ p<.10, * p<.05, ** p<.01, *** p<.001

Appendix Four

Information sheet

Exploring the impact of welfare-to-work programmes

Why you have been asked to take part

You have been asked to take part as you have recently taken part or are taking part on a 'welfare-to-work' programme.

This study is funded by the Economic and Social Research Council and undertaken at the University of Stirling in Scotland and is about understanding your views and experiences.

It is a chance for you to give your opinions about the programme you have been on and your experience of unemployment.

About my study

In the past few years, unemployment has increased in the UK. Many more people are now unemployed and this is an especially big problem for young people and those who have been out of work for a long time.

In response to higher unemployment, the Government has introduced a wide range of new 'welfare-to-work' programmes, such as the programme here at Pertemps which you have experienced. There are many more similar schemes that you may also have heard of, such as the Work Programme.

In particular, I am interested in some of the following questions:

- How did you feel when you became unemployed and what has your experience of unemployment been like?
- How did you feel about being referred to the programme that you are currently on?
- What has your experience been like with the programme so far?
- Do you feel like there have been any advantages or disadvantages to being on the programme?
- If you were in charge, how would you design a welfare-to-work programme?

This study is completely independent from the JobCentre and your programme provider and everything you say will be confidential. Your participation and anything you say will have no impact on your relationship with your welfare-to-work provider. Participation is completely voluntary and if you do choose to participate, you can opt-out at anytime.

Your information

With your agreement, your interview will be recorded and typed up so it can be looked at for the study. To protect your identity, a false name will be used in the study. This alternative name will also be used in any future presentations or reports that are produced for the study. A paper copy of your interview will be kept in a locked drawer and an electronic copy will be kept on a password-protected memory stick.

If you want to, you can receive a paper copy of your interview script which can be posted to you once it has been typed up. I will keep a copy of your transcript for up to five years after the interview, after which it will be destroyed.

About me

My name is Daniel. I'm currently in the middle of studying for a PhD at the University of Stirling in Scotland and this study is part of my project. My main interests are in unemployment and how people feel about being unemployed. I'm also interested in programmes like 'welfare-to-work' that aim to get back into work and what people who are on these schemes think about them.

Contact information

Researcher: Daniel Sage

Contact: School of Applied School, University of Stirling, FK9 4LA

Telephone: 07403 258175

E-mail: daniel.sage@stir.ac.uk

If you have questions or problems, please contact me using the above information. You can also contact my supervisor, Dr Sharon Wright, on 01413303782 or sharon.wright@glasgow.ac.uk.

Consent form

Please tick the appropriate boxes

Yes No

Taking part in the study

I understand the project and have had the opportunity to ask questions

I agree to be recorded on an audio advice

I understand that my participation is voluntary, that I can withdraw at any time and do not have to answer any questions I don't want to

I understand that I can contact Daniel at any point and ask for a copy of the interview if I request it

Confidentiality

I understand that my personal details will not be revealed to anyone else except Daniel and my name will not be used

I understand that what I say may be used in future output for the project

I understand that Daniel will not report anything I say to authorities unless there is a real danger of physical harm in the future

Name of participant (PRINT):

Signed:

Date:

Name of researcher (PRINT): Daniel Sage

Signed:

Date:

Interview Guide

Personal introduction

- PhD student at Stirling in Scotland.

PhD subject

- People's experience of being unemployed
- What it is like to be unemployed and then go on to a programme like the kind of one here.
- What happens on these kinds of programmes and your experiences of them:
 - Kind of support you receive
 - Activities you do
 - What you think the advantages and disadvantages are.
 - How you felt about work and what your hopes about work were and whether this changed during the programme.
 - And what is happening now.
- Views about the welfare state and benefits system

Practicalities

- Anonymity
- Confidentiality (not a member of staff here)
- Permission to record
- Questions
- Information sheet and consent form.

Experience of the programme

Before the programme

- What was **your situation like before** you became involved in the programme here?
- And when was it you **first** became involved?
- How did this come about?
- How did you **feel about initially** getting involved in the programme?
- Did you have any particular **hopes** about work at the start?
- And how did you being unemployed **make you feel** before you started on the programme?
- Do you think you had any particular **obstacles** to finding a job at the start?

During the programme

- So what did the programme actually involve at the start – on a weekly or daily basis?
- How often did you see someone or come into the office?
- Did you/do you have a good relationship with the staff?
- Did the kind of things you did on the programme change as it went on?

- What type of particular activities or training or placements did you do as part of the programme?
 - Did you enjoy them?
 - Did you think they were worthwhile?
 - Were there any other kinds of things you wished you had the chance to do?
- If you could sum it up:
 - Can you think of the main 2 or 3 **advantages** of the programme?
 - And can you think of the main 2 or 3 **disadvantages** of the programme? How could it be improved?
- And over the course of the programme:
 - Did your **hopes** or **ambitions** about work change?
 - Did your **feelings** about being unemployed change?

After/at the end of the programme

- Do you feel that the programme has improved your prospects with either finding a job or keeping a job?
- **If in work:** so how did you come to find your current job and are you still involved in the programme?
- **If not in work:** do you feel closer to work now? Will your involvement with the programme continue if you find a job?
- If you were in charge of a programme to help people get back to work, what would you do?
 - What kind of support do you think unemployed people need?

Previous experience of work and welfare

Working history

- So what kind of jobs have you had or been looking for in the past?
- Have you ever done any voluntary work?

Jobcentre

- Have you had much experience with the Jobcentre in the past and if so what was it like?
- How were you treated by the staff at the Jobcentre?
- What was good and what was bad about it?

Welfare-to-work schemes

- Have you ever been on a back-to-work programme before, like the old New Deal programme or the Work Programme?
- **If yes:** which ones and what was your experience like?
- How did it compare with the programme here?
- **If no:** do you know anyone who has been on another kind of scheme? What was their experience like?

Media and public opinion about the welfare state

Show newspaper articles about benefits system

- What do you think about these kinds of newspaper articles and/or speeches from politicians about benefits, unemployment and welfare?
- Do you think it affects how you and other people on benefits feel about their position? If so, how?

Views on welfare reform

Sanctions

- A lot more people are now being sanctioned by the government. Have you ever had your benefits cut by the Jobcentre: **if so why** and what happened?
- What do you think in general about cutting people's benefits?

Level of benefits

- Do you think that the level of benefits that unemployed people receive are enough to live on?

Biggest issue

- And finally, what do you think is the most important **barrier** that stops people from finding a job?

Thanks and ask if any questions themselves.