

Child TRENDS RESEARCH BRIEF

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Poor Families in 2001: Parents Working Less and Children Continue to Lag Behind

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O*verview* The movement of parents in low-income families into the workplace during the 1990s represents one of the most remarkable social changes in our nation's recent history. Of all children living in poverty in 1995, 32 percent had a parent or parents who were making a substantial work effort. By 2000, that percentage had risen to 43 percent. However, in 2001, a year of rising unemployment, the percentage dropped to 40 percent, a statistically significant decline that reversed the upward trend.

This Research Brief presents a statistical snapshot of working poor families with children in 2001, updating and extending a brief on this subject that Child Trends published two years ago.¹ The current brief analyzes national survey data, first, to take a broad look at working poor families, and, second, to focus in on some of the characteristics of children in these families.

Child Trends' analyses indicate that in 2001 children with parents making a substantial work effort were seven times less likely to be poor than children whose parents did not make a substantial work effort (8 percent versus 54 percent). Nonetheless, 5 percent of children in families headed by married couples and 18 percent of children in families headed by single mothers were poor even though their parents made a substantial work effort.

Analyses of data from the late 1990s indicate that children in poor families generally fare worse than children in families with higher incomes, regardless of their parents' work effort. Compared with children in families with higher incomes, for example, children in poor families are more likely to repeat a grade or be suspended from school and are less likely to be identified as gifted and to participate in extracurricular activities.

The findings presented in this brief suggest that some of the successes of welfare reform may be put at risk by a weaker economy. They further suggest that, regardless of the strength of the economy and regardless of parents' work efforts, children in poor families may need extra help if they truly are to thrive.

FAMILY CHARACTERISTICS

To report on trends and patterns among poor families – both those that made a substantial work effort in 2001 and those that did not – Child Trends analyzed data from the March Current Population Survey, 1996-2002.² Before presenting these trends and patterns, though, a consideration of terminology seems appropriate.

Who are *working poor* families?

Even though there have been a number of studies of the “working poor,” there is still no

generally accepted definition.³ For our research on this topic, Child Trends developed the following definition:

- *Working poor* families with children are families whose incomes are below the federal poverty threshold (\$17,960 for a family of two adults and two children in 2001) and in which either two parents together work a total of at least 35 hours a week or a single parent works at least 20 hours a week.

Although our analyses are child-based, the Child Trends definition is *family-based*, which is

appropriate for a focus on children because income for children is provided by their families. The definition is tied to the *official poverty threshold*, which is important as long as this threshold remains the federal standard. Also, it is similar to the work standard established by the 1996 welfare law. And, thus, it is tied to the *work expectations of policy makers* for people leaving welfare at the time that federal welfare reform was originally enacted.

In this brief, the terms “families meeting the work standard” and “families making a substantial work effort” are used interchangeably.

Poor parents were working less in 2001.

Between 2000 and 2001, a time of rising unemployment, the percentage of poor children whose parents were meeting the work standard as defined above decreased significantly – from 43 percent to 40 percent.⁴ (See Figure 1, insert).

This decrease followed several years in which the percentage of children whose parents were meeting the work standard increased. The late 1990s coincided both with the implementation of welfare reform *and* a period of falling unemployment. As shown in Figure 1, in 1996, the year before the implementation of federal welfare reform, 32 percent of all poor children had parents who were meeting the work standard. By 2000, as noted, the percentage had increased to 43 percent.

Families headed by single mothers followed the same pattern.⁵ Among poor children in single-mother families, the percentage meeting the work standard increased from 24 percent in 1995 to 38 percent in 2000, but then fell to 33 percent in 2001.

Parental employment greatly reduces, but does not eliminate, poverty among children.

Children with parents who meet the work standard are much less likely to live in poor families. In fact, in 2001, children in working families were *seven times* less likely to be poor than children living in families not meeting the work standard. As shown in Figure 2, insert, in 2001:

- Among all children living in families that met the work standard, only 8 percent were poor, compared with 54 percent of children in families not meeting the work standard.

- Among children living in working families headed by married couples, only 5 percent were poor, compared with 46 percent of children in married-couple families not meeting the work standard.

- Among children living in working families headed by single mothers, 18 percent were poor, compared with 69 percent in single-mother families not meeting the work standard.

Poor families are more likely to be headed by single parents or by parents who have not graduated from high school, whether or not parents are working.

Children in working poor families and children in poor families not making a substantial work effort share two disadvantages. They are less likely to live in families headed by married couples, and they are less likely to have a parent who has graduated from high school. As shown in Figure 3, insert, in 2001:

- Sixty percent of children in poor families not making a substantial work effort and 44 percent of children in working poor families lived in families headed by single mothers. In contrast, only 31 percent of children in working families with modest incomes (between 100 percent and 200 percent of the poverty line) and 12 percent of children in working families with middle-to-upper incomes (more than 200 percent of the poverty line) lived in families headed by single mothers.

- Similarly, 37 percent of children in poor families not meeting the work standard and 32 percent of children in working poor families lived in households in which neither parent had graduated from high school. In contrast, only 20 percent of children in working families with modest incomes and 4 percent of children in middle-to-upper income working families lived in households in which the parent or parents had not graduated from high school. Parents in working poor families are somewhat less disadvantaged than parents in families not meeting the work standard; but the larger gap is with parents in more affluent families.

Health insurance coverage for children in poor, two-parent families lags behind coverage in other family groups, whether or not parents are working.

Poor children in families headed by married couples were less likely to be covered by health insurance than children in higher income families headed by married couples in 2001 – or even poor children in families headed by single mothers:

- As shown in Figure 4, insert, among families headed by married couples, 72 percent of children in working poor families and 78 percent of children in poor families not making a substantial work effort were covered by health insurance. In contrast, 83 percent of children in working, married-couple families with modest incomes and 95 percent of children in working, married-couple families with middle-to-upper incomes had health coverage.
- Health insurance coverage rates for children in families headed by single mothers ranged more narrowly – between 83 and 89 percent.

Child care consumes a large share of the incomes of working poor families.

Working poor families who paid for child care in 2001 spent a considerable proportion of their incomes for these services, regardless of family structure. As shown in Figure 5, insert:

- Among the 22 percent of working poor families headed by single mothers who paid for child care, 40 percent spent at least half of their cash income on child care, and another 25 percent spent 40 to 50 percent.⁶
- Among the 9 percent of working poor families headed by married couples who paid for child care, 23 percent spent more than half their cash income on child care, and another 21 percent spent between 40 and 50 percent.

These percentages were considerably higher for working poor families than for their modest-income and middle-to-upper-income counterparts.

After federal welfare reform, the percentage of poor children receiving welfare payments dropped, regardless of parental work status.

Before the 1996 welfare reform law, the federal welfare program was known as Aid to Families

with Dependent Children, or AFDC. After welfare reform, when the program was changed to a block grant, it became known as Temporary Assistance for Needy Families, or TANF. Between 1996 and 2001, receipt of cash welfare decreased for children in poor families. This decrease occurred for children in both poor families not meeting the work standard and working poor families. As shown in Figure 6, insert:

- Among children in married-couple, poor families not making a substantial work effort, the percentage receiving cash welfare decreased from 33 percent in 1996 to 16 percent in 2001. The corresponding percentages for children in married-couple, working poor families were 7 percent in 1996 and 5 percent in 2001.⁷
- Among children in single-mother, poor families not making a substantial work effort, the percentage receiving welfare decreased from 64 percent in 1996 to 31 percent in 2001. The corresponding percentages for children in single-mother, working poor families were 25 percent in 1996 and 12 percent in 2001.

A similar drop occurred in the percentage of children in poor families receiving food stamps, with one exception.

After federal welfare reform, the percentage of children receiving food stamps dropped for both families not making a substantial work effort and working poor families headed by single mothers, but not for working poor families headed by married couples. As shown in Figure 7, insert:

- Among children in married-couple, poor families not making a substantial work effort, the percentage receiving food stamps decreased from 56 percent in 1996 to 45 percent in 2001. However, the corresponding percentages for children in married-couple, working poor families remained essentially unchanged between 1996 and 2001, at about 33-34 percent.
- Among children in single-mother, poor families not making a substantial work effort, the percentage receiving food stamps decreased from 77 percent in 1996 to 60 percent in 2001. The corresponding percentages for children in single-mother working poor families were 52 percent in 1996 and 47 percent in 2001.

FOCUSING IN ON THE CHILDREN

Child Trends' new analyses of data from the 1996 panel of the Survey of Income and Program Participation⁸ show how children in working poor families compare with children in three other family work and income categories about one year after the implementation of federal welfare reform. The other categories are poor families not making a substantial work effort; families with modest incomes (between 100 and 200 percent of the poverty line); and middle-to-upper income families (more than 200 percent of the poverty line).⁹

Children in working poor families lag behind on important measures of well-being.

Compared with other children, children in working poor families are less likely to be described as "gifted." Moreover, regardless of parental work effort, children in poor families are more likely than children in working families with modest incomes or middle-to-upper incomes to repeat a grade or be suspended from school.¹⁰ As shown by the Survey of Income and Program Participation:

- Nine percent of children in working poor families were identified as gifted, compared with 12 percent in poor families not making a substantial effort, 13 percent in working families with modest incomes, and 20 percent in working families with middle-to-upper incomes.
- The percentage of children who had repeated a grade was similar (10 to 13 percent) for children in working poor families, children in poor families not meeting the work standard, and children in working families with modest incomes. However, only 6 percent of children in middle-to-upper income families had repeated a grade.
- The percentage of children who had been suspended or expelled from school ranged between 16 and 19 percent for children in poor families.¹¹ These percentages were significantly higher than for children in working families with modest incomes (12 percent) and children in middle-to-upper income working families (9 percent).

Children in working poor families lag behind on several measures of home environment.

Certain aspects of the home environment are less favorable for children in working poor families than for children in other family work and income categories. For example, analyses for resident fathers in the Survey of Income and Program Participation data reveal that:

- Children in working poor families were less likely to have involved *fathers* than children in poor families not making a substantial work effort or children in working families with modest and higher incomes (that is, fathers scored higher on a scale measuring the degree to which the father interacts with, has expectations for, and praises his child). Moreover, children in poor families – whether or not parents met the work standard – were less likely to have involved *mothers* than children in working families with modest and higher incomes.¹²
- The weekly number of meals eaten with their mother was only slightly lower (9.6) for children in working poor families than for children in poor families not making a substantial work effort (10.0) and for children in working families with middle-to-upper incomes (9.8).¹³
- The weekly number of meals eaten with their resident father was somewhat *lower* (8.4) for children in working poor families than for children in poor families not making a substantial work effort (9.0) but somewhat *higher* than for children in working families with middle-to-upper incomes (8.0). This pattern suggests a possible tradeoff between fathers' eating meals with their children and their success in income-earning activities.
- Parents in poor families – whether or not they made a substantial work effort – were more likely to experience aggravation in parenting than parents in working families with modest and higher incomes.¹⁴

For two other aspects of family environment measured in the survey – television rules and living apart from parents – the slight differences among families by work and income level were not statistically significant.

Poor children and their families have lower levels of positive interaction with their community than do families with higher incomes.

For several measures of interaction with their community, poor children and their families had lower levels of involvement as shown by the Survey of Income and Program Participation. For example:

- Parents of children in poor families – regardless of work effort – were less likely to hold positive attitudes towards their community and more likely to hold negative attitudes towards their community than parents of children in working families with higher incomes. A scale assessing positive views towards one’s community was based on responses to questions concerned with whether people in the neighborhood “help each other out,” whether they “watch out for each other’s children,” whether there are “people I can count on,” whether there are adults a parent could count on to “help my child,” and whether there are “safe places in this neighborhood for children to play outside.” A scale of negative views towards one’s community was based on responses to questions concerned with whether the parent “keep[s] my child inside as much as possible because of the dangers in the neighborhood,” and whether “there are people in the neighborhood who might be a bad influence on my child.”
- Children in poor families – again, regardless of parental work effort – were substantially less likely than children in working families with higher incomes to participate in extracurricular activities.
- Children in working poor families were less likely (29 to 31 percent) than children in working families with middle-to-upper incomes (47 percent) to ever receive child care services.¹⁵ Moreover, those children in working poor families who did receive child care services at some point did so at a later age than their more affluent counterparts. For example, by the age of nine months, only one-quarter of such children in working poor families had begun receiving services, compared with nearly one-half of such children in working families with middle-to-upper incomes.

- Children in poor families were somewhat less likely to have ever attended kindergarten or to attend private or religious schools. Eighty-three percent of poor children (regardless of their parents’ work effort) attended kindergarten, compared with 85 percent of children in working families with modest incomes and 89 percent of children in working families with middle-to-upper incomes. The corresponding statistics for enrollment in private schools among those age 4-17 were 4 percent, 7 percent, and 13 percent, respectively and for enrollment in religious schools were 2 to 3 percent, 5 percent, and 10 percent, respectively.
- However, no significant difference in the parents’ assessment of their children’s school engagement by families’ work and income status was found.¹⁶ This pattern may reflect family characteristics or characteristics of the communities where they live, or both.

IMPLICATIONS FOR PUBLIC POLICY

The 1996 federal welfare reform legislation explicitly included among its major purposes to: (1) increase the amount of work performed by adults on welfare; and (2) decrease child poverty.¹⁷ As implementation of the law moved forward, and with the help of a strong economy through 2000, substantial progress occurred on both fronts. However, the arrival of a weaker economy in 2001 has created a substantial risk that that progress may be stalled or even reversed.

The increase in work activity between 1996 and 2001 is good news from an economic perspective because living in a working family dramatically reduces the likelihood of a child being in poverty. Thus, it is reasonable to consider policy initiatives that might further increase work effort and, thus, further decrease child poverty.

The Bush Administration’s proposal to increase the hours of work required of parents in welfare families represents, of course, one approach. The underlying assumption of the proposal is that if hours worked increase, earnings will increase as well.

A simulation by the Heritage Foundation explored the potential effects of working more hours for *all* poor people (not just those receiving welfare benefits).¹⁸ The simulation assumed that:

(1) total hours worked per poor family were increased to 2,000 hours per year; (2) earnings of workers making at least the minimum wage were increased proportionately to the number of hours worked; and (3) wage rates of workers making less than the minimum wage were increased to the legal federal minimum. Given these three circumstances, the simulation estimated that the percentage of families with children whose incomes (including the Earned Income Tax Credit (EITC), food stamps, and school lunch) were below the poverty threshold would drop from 11.6 percent to 3.2 percent.

A similar simulation by the Brookings Institution assumed that: (1) all able-bodied non-working family heads earn a wage rate equal to that of able-bodied family heads with similar personal characteristics (e.g., education, age, race); and (2) all able-bodied family heads work 2,080 hours per year.¹⁹ Given these circumstances, the simulation estimated that the percentage of families with able-bodied heads whose incomes (including the EITC and food stamps, but excluding federal income and payroll tax liability and work-related child care expenses) were below the poverty threshold would be nearly halved.

Both simulations assume that there is demand for predominantly low-skilled workers adequate to absorb a substantial increase in hours worked by poor people and that adequate child care services are available and affordable; but they both illustrate the potential importance of hours worked to reducing poverty.

In addition to increasing the hours worked, another approach to increasing work effort includes increasing direct wage subsidies, such as the EITC, and indirect wage subsidies, such as child care subsidies. For low-wage workers, the value of uncompensated work at home may exceed the value of the extra income they would earn if they worked for pay – especially if that work requires expenditures on child care at market rates. Direct or indirect wage subsidies increase the incentive to enter and stay in the labor market.

A third approach to increasing work effort is represented by programs targeted specifically at low-income parents with the goal of assisting them to work more consistently and to embark on a career path that leads to higher wages and benefits.

Unfortunately, little evidence now exists on which types of programs are likely to be successful. The Administration on Children and Families in the U.S. Department of Health and Human Services is currently sponsoring the Employment Retention and Advancement evaluation to learn which program approaches are most effective.²⁰ Some of the projects being evaluated promote career advancement by providing services such as career counseling, targeted job search assistance, close linkages with employers, and education and training. Other projects concentrate on helping “hard-to-employ” groups find and hold jobs. Still others combine these two approaches.

All of these *supply-side* initiatives are likely to have a better chance of success in a robust economy. With unemployment higher in 2003 than during the recent economic expansion, low-skilled workers who wish to work may experience difficulties finding and holding on to jobs.

The approaches described above focus on increasing parental work effort and earnings as a means to increase family income and reduce poverty. Another important approach to help children escape poverty and prevent them from falling into poverty is to encourage marriage for single parents and to help preserve marriage for currently married couples with children. Marriage, in fact, provides a family with at least *the potential* for two wage-earners, and two parents working full-time can generally enable a family to escape poverty.²¹ As we have seen, however, some two-parent families making a substantial work effort nonetheless remain poor. Moreover, there is general agreement across the political spectrum that a healthy marriage requires more than just an adequate family income.

At present, little rigorous research exists on how to promote or preserve healthy marriages among low-income families.²² However, work has begun on developing a conceptual framework for programs that would help unmarried parents form and sustain healthy marriages.²³ Potential approaches to help couples directly include education (e.g., communication and conflict resolution skills); emotional and social support (e.g., couple support groups led by a professional); employment and education services; mentors and role models; family planning counseling and services; services

to promote mental and physical health and to address domestic violence; education on parenting and child development; and services to promote parental teamwork and responsible fatherhood.

In addition, policy changes could be considered to reduce financial disincentives to marriage in the TANF, Food Stamps and Medicaid programs, as well as in the tax system (particularly the "marriage penalty" imposed when spouses have similar earnings).

In the long run, increasing parental work efforts and decreasing child poverty likely will require a mix of policy initiatives. Moreover, given the complexity of the problem, one-size-fits-all solutions are not as likely to be as effective as approaches tailored to the local community or to a particular family.

CONCLUSION

As various approaches to assist working poor families and families leaving welfare are evaluated, it is critical to keep a focus not only on parents, but also on their children. For example, experimental evaluations of programs that were designed to increase the employment of mothers on welfare suggest that, while most outcomes were not affected, some adolescent children were affected negatively when their mothers joined the work force.²⁴ Other experimental studies have found neutral or positive effects on children of mothers who moved from welfare to work, *except* in those cases in which a family's economic circumstances worsened.²⁵ Results from such studies reinforce the importance of considering work effort from two perspectives: how successful parents are in getting and holding a job *and* how their children are faring.

This *Research Brief* draws heavily from "Children in Working Poor Families: Update and Extensions," a paper written by Richard Wertheimer, Ph.D., Melissa Long, M.A., and Justin Jager for the Foundation for Child Development. The author is indebted to Isabel V. Sawhill, Ph.D., of The Brookings Institution, for her careful review of and helpful suggestions on this brief.

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Endnotes

¹Wertheimer, R. (2001, May). *Working poor families with children: Leaving welfare doesn't necessarily mean leaving poverty* (Research Brief). Washington, DC: Child Trends.

²The Current Population Survey is a monthly survey of about 50,000 households conducted by the Bureau of the Census for the Bureau of Labor Statistics. Interviews are conducted both in person and by telephone. See <http://www.census.gov/prod/2002/pubs/tp64rv.pdf> for details.

³The following document provides a review of many alternative definitions: Croan, T., Hatcher, J., Long, M., & Wertheimer, R. (2002). *Children in working poor families: A review of the literature*. Washington, DC: Child Trends. There are three dimensions across which definitions differ: (1) whether to base the definition on a single worker or a family; (2) whether to use the official poverty threshold, a multiple of the threshold, or an alternative definition of poverty; and (3) how much work is required for a family to qualify as "working."

⁴During 2001, the U.S. unemployment rate rose from 4.2 percent in January to 5.8 percent in December. See, U.S. Department of Labor, Bureau of Labor Statistics (2003) "Unemployment Rate - Civilian Labor Force." This is available at <http://data.bls.gov/cgi-bin/surveymost?f>.

⁵Although the 1996-2000 *increase* in the percentage of children with working parents among poor, married-couple families from 53 percent in 1996 to 64 percent in 2000 is statistically significant, the apparent 2000-2001 *decline* for this group is not statistically significant.

⁶The percentage of families paying for child care and the amount that they paid were both simulated based on relationships estimated using the Survey of Income and Program Participation. For details, see Appendix A of Wertheimer, R., Long, M., & Jager, J. (2002). *Children in working poor families: Update and extensions*. Washington, DC: Child Trends. This report is available at <http://www.childtrends.org/PDF/WorkingPoorPaper.pdf>.

⁷The apparent decline for married-couple, working poor families was not statistically significant.

⁸The 1996 Survey of Income and Program Participation is a longitudinal survey of about 37,000 households conducted by the Bureau of the Census. Interviews are conducted in person. Data on children were reported by the adult respondent, usually the mother, in late 1997. See, <http://www.bls.census.gov/sipp/intro.htm> for details.

⁹For a family of two adults and two children, 100 percent of the poverty line was \$17,960 and 200 percent of the poverty line was \$35,920 in 2001.

¹⁰The research reported in this and the next two sections summarize findings from Wertheimer, R., Long, M., & Jager, J. (2002). *Children in working poor families: Update and extensions*. Washington, DC: Child Trends. This report is available at <http://www.childtrends.org/PDF/WorkingPoorPaper.pdf>.

¹¹The difference between children in working poor families and children in poor families not making a substantial work effort is not statistically significant.

¹²The values of the "father involvement index" were 7.85 for children in poor families not making a substantial work effort, 7.61 for children in working poor families, 7.85 for children in working families with modest incomes, and 8.15 for children in working families with middle-to-upper incomes. The values of the "mother involvement index" were 8.56 for children in poor families not making a substantial work effort, 8.61 for children in working poor families, 8.79 for children in working families with modest incomes, and 9.03 for children in working families with middle-to-upper incomes. Higher values for these indexes indicate a higher level of involvement.

¹³The apparent difference between children in working poor families and children in working families with modest incomes is not statistically significant.

¹⁴The values of the "parental aggravation index" were 9.19 for children in poor families not making a substantial work effort, 9.32 for children in working poor families, 9.49 for children in working families with modest incomes, and 9.48 for children in working families with middle-to-upper incomes. A higher index value indicates a lower level of aggravation.

¹⁵"Child care services" include care by relatives, non-relatives, child care centers, and preschools.

¹⁶This differs from the National Survey of America's Families results reported in Moore, K., Ehrle, J., & Brown, B. (1999.) Children's environment and behavior: High engagement in school. In B. B. Potter (Ed.), *1997 Snapshots of America's families*. Washington, DC: The Urban Institute.

¹⁷Personal Responsibility and Work Opportunity Reconciliation Act, 42 U.S.C. § 1305 (1996).

¹⁸See, Rector, R. A., & Hederman, R. S. (2003). *The role of parental work in child poverty* (Report #03-01). Washington, DC: The Heritage Foundation, Center for Data Analysis. This is available at <http://www.heritage.org/Research/Family/cda-03-01.cfm>.

¹⁹See, Sawhill, I., & Thomas, A. (2001). *A hand up for the bottom third: Toward a new agenda for low-income working families*. Washington, DC: The Brookings Institution.

²⁰Bloom, D., Anderson, J., Wavelet, M., Gardiner, K., & Fishman, M. (2002). *New strategies to promote stable employment and career progression: An introduction to the Employment Retention and Advancement Project*. New York: Manpower Development Research Corporation. This is available at http://www.mdrc.org/Reports2002/era_converencerpt/era_exsummary.htm.

²¹Results of a microsimulation analysis based on the March 1999 Current Population Survey suggest that, if the percentage of children living in female-headed families remained unchanged from its 1970 level, the percentage of children living in families below the official poverty threshold

would have been 3.4 percentage points lower than its actual 1998 level. See, Thomas, A., & Sawhill, I. (2002). For richer or poorer: Marriage as an antipoverty strategy. *Journal of Policy Analysis and Management*, 21(3), 587-599.

²²See, Moore, K. A., Jekielek, S. M., & Emig, C. (2002, June). *Marriage from a child's perspective: How does family structure affect children, and what can we do about it?* (Research Brief). Washington, DC: Child Trends.

²³See, Dion, M. R., Devaney, B., McConnell, S., Ford, M., Hill, H., & Winston, P. (2003). *Helping unwed parents build strong and healthy marriages: A conceptual framework for interventions*. Washington, DC: Mathematica Policy Research. This is available at <http://www.mathematica-mpr.com/PDFs/helpingunwed.pdf>.

²⁴Brooks, J. L., Hair, E. C., & Zaslow, M. J. (2001, July). *Welfare reform's impact on adolescents: Early warning signs* (Research Brief). Washington, DC: Child Trends. On the other hand, a more recent but non-experimental study of low-income children in low-income neighborhoods of three cities suggested that transitions into employment were generally not associated with negative outcomes for adolescents. See, Chase-Lansdale, P. L., et al. (2003). Mothers' transitions from welfare to work and the well-being of preschoolers and adolescents. *Science*, 299, 1548 - 1551.

²⁵See, for example, Zaslow, M.J., Moore, K.A., Brooks, J.L., Morris, P.A., et al. (2002). Experimental studies of welfare reform and children. *The Future of Children*, 12(1), 79-95.

Child Trends, founded in 1979, is an independent, nonpartisan research center dedicated to improving the lives of children and their families by conducting research and providing science-based information to the public and decision-makers. For additional information on Child Trends, including a complete set of available *Research Briefs*, visit our Web site at www.childtrends.org. For the latest information on more than 70 key indicators of child and youth well-being, visit the Child Trends DataBank at www.childtrendsdatabank.org.

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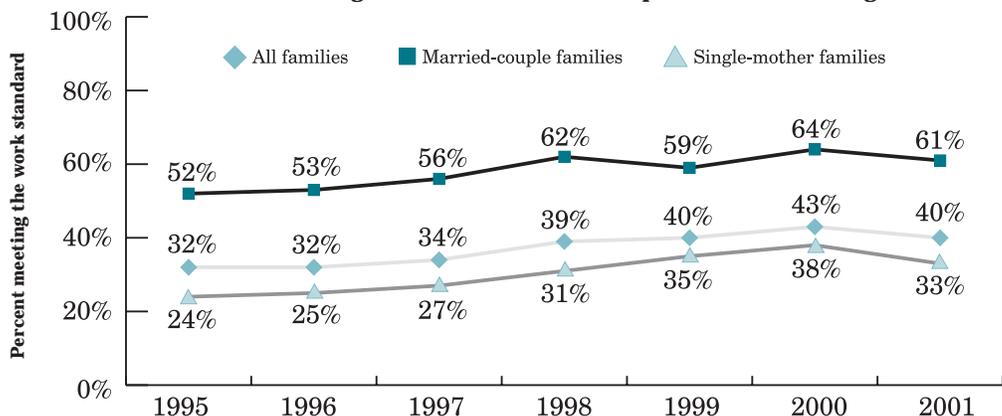
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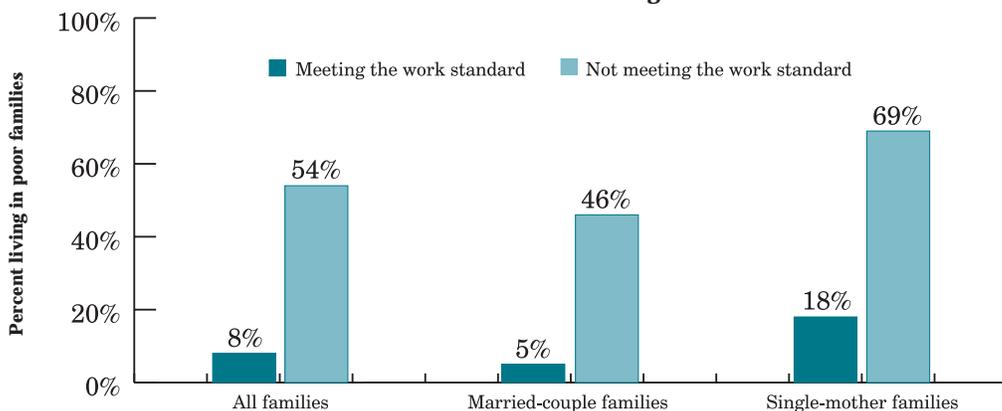
Poor Families in 2001: Parents Working Less and Children Continue to Lag Behind

FIGURE 1 The percentage of poor children whose families met the work standard decreased between 2000 and 2001, among all families, married-couple families, and single-mother families.



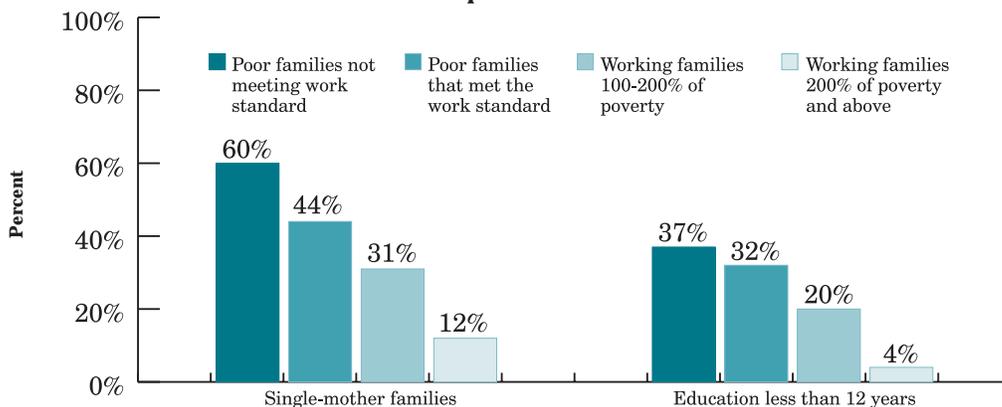
Source: Child Trends analysis of March Current Population Survey, 1996-2002. Each year's survey collects employment data for previous calendar year.

FIGURE 2 The percentage of children living in poor families in 2001 was lower in working families than in families not making a substantial work effort.



Source: Child Trends analysis of March Current Population Survey, 2002.

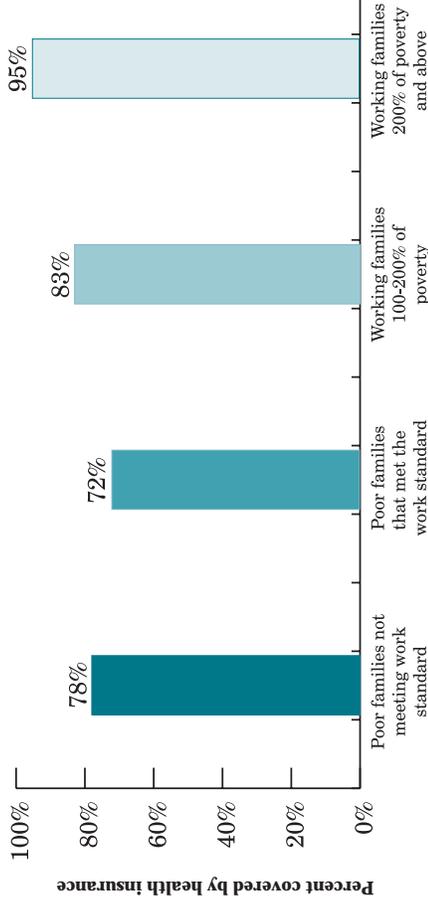
FIGURE 3 Poor children were more likely to live in families headed by a single mother and to live with a parent with low level of education in 2001.



Source: Child Trends analysis of March Current Population Survey, 2002.

FIGURE 4

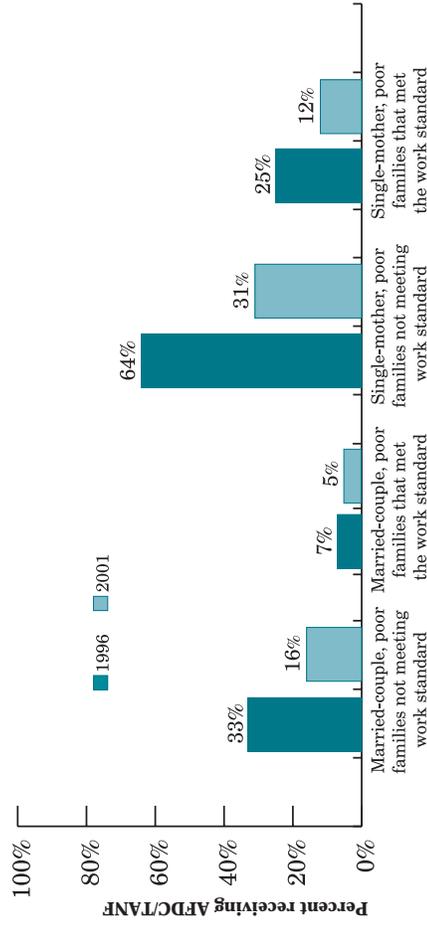
Among children in two-parent families, poor children were less likely to be covered by health insurance in 2001, especially poor children whose parents met the work standard.



Source: Child Trends analysis of March Current Population Survey, 2002.

FIGURE 6

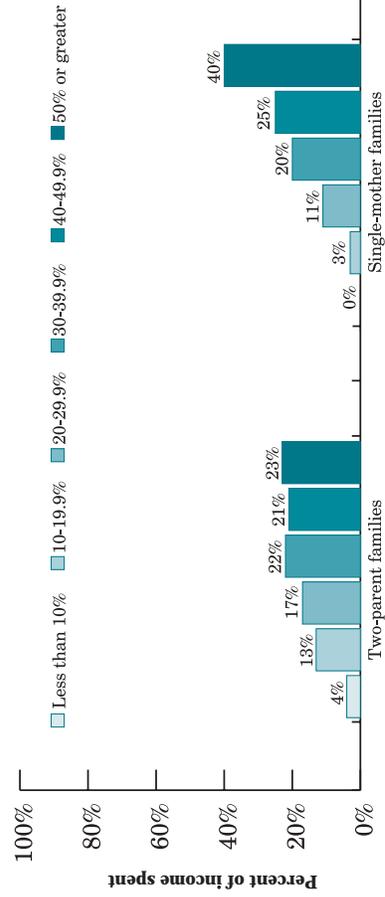
After welfare reform, receipt of AFDC/TANF declined for poor children, regardless of parental work effort.



Source: Child Trends analysis of March Current Population Survey, 1997 and 2002.

FIGURE 5

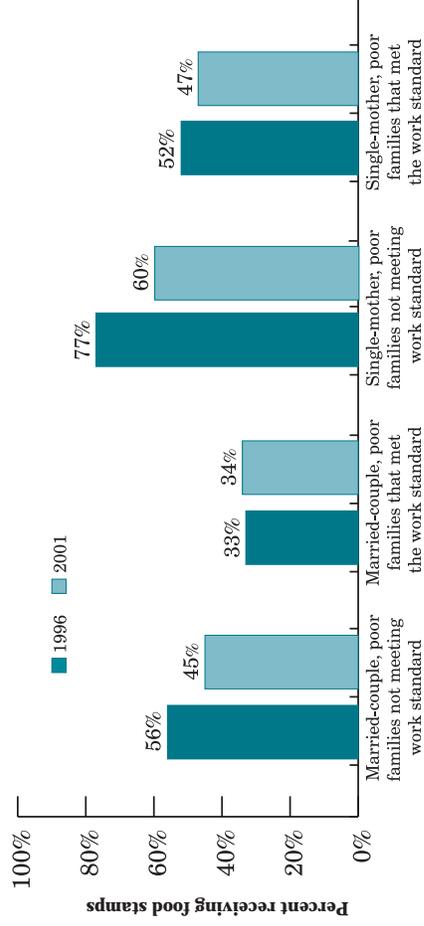
Among working poor families that paid for child care, families spent a large share of their income for care in 2001.



Source: Child Trends analysis of March Current Population Survey, 2002, and 1996 Survey of Income and Program Participation.

FIGURE 7

After welfare reform, receipt of food stamps declined for poor children regardless of parental work status (except for children in married-couple, working poor families).



Source: Child Trends analysis of March Current Population Survey, 1997 and 2002.