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When Do Single Mothers Work? An Analysis of the 1990 Census Data

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This study analyzes the relative effect of the amount of public assistance income received one year on the probability that a single mother is employed the following year compared to a variety of other determinants of employment status. The analysis is based on a national sample which was drawn from the Public Use Micro data 5 percent Sample (PUMS) of the 1990 U.S. Census. It consists of the 275,744 female householders who were divorced, separated, widowed or never married, and living with their own children age 18 and under. Logistic regression was utilized to calculate the probability of being employed in 1990 according to sources and amounts of income in 1989, level of education, age, work experience, number and age of children, race, and marital status. The results indicate that greater amounts of public assistance income reduced the probability of being employed. However, several other factors—including race-ethnicity, family form and size, educational background and previous earnings—were significant, independent determinants of labor-force status. In particular, African-American women, women with children under six, women with relatively low levels of education and low earnings in the previous year, and never-married women all faced a reduced probability of being employed in 1990 regardless of how much public assistance income they received in 1989. The paper concludes with an assessment of the implications of these findings for current debates on the relationships among welfare receipt, work incentives, and employment.

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Introduction

Under what conditions do single mothers engage in paid employment? Conventional wisdom, including proponents of welfare revisions abolishing AFDC as an entitlement, suggests that there is a direct, negative relationship between the receipt of welfare benefits and employment. Indeed, recently passed legislation is premised on the idea that time-bound limits on assistance *alone* will compel most recipients to participate in work activities. Welfare reform initiatives are also based on the assumption that individual deficits, rather than personal and family resources, are the primary barriers to economic independence (Marcenko & Fagan, 1996; Rank, 1994; Sidel, 1996). There have been few systematic empirical efforts, however, to isolate the relative effects of individual characteristics compared to the effects of welfare benefits on single mothers' labor force participation. The purpose of this study is to make an empirical assessment of the complex process underlying single mothers' attachment to the labor force that is informed by a qualitative understanding of the trade-offs between employment and welfare. The analyses will demonstrate that there is a negative relationship between public assistance income received one year and the probability of being employed the year following. However, it will also reveal that welfare benefits are by no means the only component of single mothers' lives that determine whether or not they are employed. Women's family responsibilities, education, work experience, and prior earnings play key roles in determining their employment status.

Single Mothers, Welfare Receipt, and Employment Status

What do we know about the employment patterns of single mothers on welfare, and the factors that hinder or enhance their chances for securing jobs that meet their cost of living? Most single mothers work for pay at least part of the time they are receiving welfare benefits, although much of their employment remains unreported to the welfare officials to avoid a loss of benefits commensurate with their earnings; indeed, a well-know disincentive

to work of the AFDC program was that reported earnings were essentially rendered a 100 percent tax by a reduction in welfare benefits equal to the amount earned (Jencks & Edin, 1990; Harris, 1993). According to Harris, as many as one-third of AFDC recipients worked for pay at any given time, while Edin and Jencks maintain that no single mother in their sample was able to subsist without supplementing their welfare checks with other sources of income. Thus, the empirical question addressed here, when do single mothers engage in paid employment, must be modified to reflect the reality that most single mothers work for pay even when on welfare. The more distinctive question then becomes, when do single mothers *officially* work for pay? Specifically, when do single mothers find and take jobs that they must report to their local welfare agency? Or, in cost-benefit terms, when do they find work that is rewarding enough in terms of pay and benefits that it makes economic sense to forgo welfare payments and Medicaid?

Recent research on the determinants of employment among single mothers on welfare highlight the importance of women's educational levels, family size and number of public assistance programs benefits are received from (Harris, 1993; Rank, 1994). These studies indicate that single mothers who are high school graduates and who have relatively fewer children are significantly more likely to become employed. Higher levels of education result in more job skills and job-seeking skills, and hence, more job opportunities, while family size is tied to women's difficulty securing high-quality, affordable child care. Single mothers receiving benefits from two or three programs compared to one program are less likely to become employed (Rank, 1994). Women who receive benefits from multiple programs such as AFDC, food stamps and Medicaid are less likely to become employed because they have more to lose by doing so; that is, the type of jobs they are able to acquire are unlikely to provide health benefits or to allow women to break even financially after taking into account child care costs.

The effects of women's own characteristics on their employment status should be considered in the context of their local labor markets. Human capital will only lead to employment when there are job openings nearby that are commensurate with women's qualifications. It is difficult to model the structure of labor markets

in great detail but unemployment rates do serve as an overall indicator of the availability of jobs. Research results are mixed: In some studies, the effect of local unemployment rates on single mothers' employment is significant and negative, as expected (Harris, 1993), while others find that it is significant and positive (Rank, 1994). Harris' finding is more convincing since she uses a nationally representative sample (the Panel Study of Income Dynamics), whereas Rank uses data from Wisconsin only. Relatively higher rates of unemployment reflect a lack of job opportunities in the local area which would presumably depress single mothers' odds of being employed. The current study is unable to test the effects of local unemployment rates owing to the obligation of the Census Bureau to maintain confidentiality by suppressing data related to individuals' geographic location. However, the role of job opportunities can be inferred from women's history of labor force attachment and earnings. We assume that women with a history of weak attachment to the labor force and low earnings have had fewer opportunities in their local labor markets to secure steady, well-paid jobs.

Although there is an extensive literature within economics on the determinants of labor force participation, very few studies have been concerned specifically with female heads of household (Moffitt, 1992). What literature does exist dates back to 1981 and earlier, (see Danziger, Haveman, & Plotnick, 1981) and suggests that AFDC income does reduce the number of hours single mothers work for pay by anywhere from 1 to 9 hours per week. However, if female heads increased their work hours by this amount, the resultant increment to their earnings would be unlikely to bring them out of poverty (Moffitt, 1992). Thus, the economics literature that does exist indicates that AFDC income is a work disincentive, but without it, single mothers would remain in poverty (Butler, 1996).

Although it is commonly believed that people are poor because they are lazy and lack motivation to find a job (Kluegal and Smith, 1986), there is no empirical evidence to support the widespread existence of such attitudes among the poor. On the contrary, the results of in-depth qualitative research on single mothers consistently shows that they would prefer to support themselves and not depend on public assistance if only it were

possible to make ends meet on the types of jobs available to them (Polakow, 1993; Rank, 1994; Schein, 1993). Furthermore, receiving welfare benefits has negative psychological effects on women, progressively lowering their self-esteem the longer they are receiving it (Elliott, 1996). In sum, there is no evidence of any incentive to be on welfare other than sheer economic necessity of single mothers with limited opportunities in the paid labor force. Therefore, the analysis and interpretations in this study are premised on the assumption that single mothers make rational choices between continued welfare receipt and "official" employment, balancing the opportunities and constraints that face them.

Research Questions

Three inter-related research questions guide the analysis undertaken in this study:

*First, what are the descriptive similarities and differences among single mothers by receipt of public assistance income?*¹

For example, do single mothers on public assistance tend to have more children in the household than single mothers who do not receive public assistance income? Similarly, are the former group less educated, on average, than the latter, and more likely to have never married, rather than divorced, widowed or separated? How do the average earnings of women on public assistance compare to those who are not on public assistance? Answers to this set of questions will allow us to compare and contrast the financial and employment-related obstacles faced by single mothers, and to examine similarities and differences between those who do and do not receive public assistance.

Second, how is the employment status of women with children affected by the receipt of public assistance, and what are the relative effects of other sources on income on the probability of being employed?

For instance, what is the effect of receiving public assistance in the past year on the probability that a single mother is employed? Are women who have received public assistance within the past year less likely to be employed? If so, does the effect of public assistance vary by the amount of public-assistance income received, wherein greater amounts of public assistance discourage women from working? Answers to these questions will allow us to gauge

the *relative* importance of the receipt of public assistance vis-a-vis other sources of income on the probability of future employment.

Third, what factors influence labor-force status regardless of receipt of public assistance income?

For example, are mothers with more children less likely to be employed, regardless of how much public assistance they receive, than mothers with fewer children? Similarly, are divorced mothers more likely to be employed than never married mothers? Does educational level affect the probability of employment, regardless of how much public assistance is received? In other words, what characteristics of women interfere with their ability to be employed that are not related to how much public-assistance income they receive? Answers to this final set of questions will allow us to compare and contrast the relative effects of racial-ethnic background, family form and size, and education on labor force status, irrespective of the influence of public assistance. In summary, answers to each of these three sets of questions will be addressed through an descriptive and explanatory analysis of a representative, national sample of single mothers.

Data and Methods

The Data

A national sample of 275,744 single mothers was drawn from the 1990 Census of Population and Housing Public Use Micro data Samples (PUMS) 5 percent sample of the U.S. population. Single mothers were defined as women who lived with their own children age less than one year to 18 years of age, who reported being divorced, separated, widowed, or never married, and who defined themselves as the head of their households.² Women of all racial-ethnic categories were included in the sample, and were divided among whites, African-Americans, Mexicans, Puerto-Ricans, other Hispanics, Asian and Pacific Islanders, American Indians, and the remaining, which included fewer than 100 Alaskans and Aleuts and several thousand uncategorized women. The analyses are weighted with the individual-level weight provided by the Census Bureau to correct for the over-sampling of less populated areas and under-sampling of more densely populated areas. A normalized weight variable is used so

that the weighted sample size is equal to the unweighted sample size. Thus, the sample sizes shown correspond to 5 percent of the U.S. population. Measurement of all variables is displayed in the Appendix.

Method of Analysis

The first stage of the analysis addresses the first research question by presenting a descriptive portrayal of single mothers in the U.S., and by identifying significant differences between single mothers who reported public assistance income in 1989 and single mothers who did not. This stage entails examination of differences in means between groups. The second stage of the analysis addresses the second and third research questions of how the receipt of public assistance affects employment status, and the extent to which other factors predict employment status above and beyond the receipt of public assistance. We use logistic regression to predict whether or not single mothers were employed in April of 1990 when the Census was administered.³ The results indicate the relative effects of public-assistance income, other sources of income, demographic characteristics of women, their prior work experience, and their family composition on the probability of employment. We then present predicted probabilities of employment for different groups to show the effects of various levels of independent variables on the probability of employment with all other variables held constant.

Results

Descriptive Statistics

Table 1 displays descriptive statistics for all single mothers, and separately for two groups defined by receipt of public-assistance income.⁴ All between-group differences are statistically significant. While 64 percent of all single mothers officially work for pay,⁵ only 22 percent of mothers on public assistance report having jobs. It is likely that the officially employed women on public assistance are only marginally employed, given the restrictions that governments set on the amount of income women are allowed to earn before their public assistance is taken away.⁶

Table 1
Descriptive Statistics

1990 U.S. Census Data: Single Mothers of Female-Headed Households	All Single Mothers n=275,744		Single Mothers with Public Assistance Income n=75,740		Single Mothers without Public Assistance Income n=200,004	
	Mean	SD	Mean	SD	Mean	SD
Employed	.64	.48	.22	.42	.80	.40
Welfare Recipient	.27	.45	1.00	.00	.00	.00
Income in 1989						
Household income, \$1,000s	19.17	18.04	9.90	10.31	22.68	19.07
Family income, \$1,000s	16.91	15.71	8.48	8.51	20.10	16.61
Personal income, \$1,000s	14.70	13.70	7.09	6.40	17.59	14.60
Earnings, \$1,000s	11.19	12.88	2.06	5.19	14.65	13.23
Social security, \$1,000s	.31	1.71	.15	.96	.37	1.92
Public assistance, \$1,000	1.15	2.51	4.17	3.20	—	—
Poverty status	155.79	128.02	69.94	65.63	188.30	130.83
Background						
Age	34.88	8.39	32.39	8.45	35.82	8.18
Education	3.42	1.44	2.77	1.13	3.67	1.46

continued

Table 1, continued

1990 U.S. Census Data: Single Mothers of Female-Headed Households	All Single Mothers n=275,744		Single Mothers with Public Assistance Income n=75,740		Single Mothers without Public Assistance Income n=200,004	
	Mean	SD	Mean	SD	Mean	SD
In school now	.12	.32	.10	.30	.13	.33
Disabled	.04	.21	.10	.31	.02	.14
Work						
Looking for work	.09	.28	.16	.37	.06	.23
Worked in 1989	.74	.44	.36	.48	.88	.32
Weeks worked in 1989	31.50	22.66	9.71	16.80	39.75	18.79
Year last worked	2.05	1.85	3.58	2.19	1.47	1.30
Family						
Children under age 6	.39	.49	.55	.50	.33	.47
Number of children	1.79	.99	.17	.19	.64	.87
Never married ^a	.28	.45	.43	.49	.22	.41
Divorced	.47	.50	.31	.46	.53	.50
Separated	.19	.39	.21	.40	.18	.38
Widowed	.07	.25	.05	.22	.08	.26

continued

Table 1, continued

1990 U.S. Census Data: Single Mothers of Female-Headed Households	All Single Mothers n=275,744		Single Mothers with Public Assistance Income n=75,740		Single Mothers without Public Assistance Income n=200,004	
	Mean	SD	Mean	SD	Mean	SD
Race/Ethnicity						
White ^a	.59	.49	.47	.50	.64	.48
African-American	.32	.47	.41	.49	.29	.45
Mexican	.03	.17	.04	.19	.03	.16
Puerto-Rican	.02	.13	.03	.18	.01	.10
Other Hispanic	.01	.11	.01	.11	.01	.10
Asian or Pacific Islander	.02	.12	.02	.12	.02	.12
American Indian	.01	.12	.02	.14	.01	.11
Other	.00	.04	.00	.04	.00	.04

^a Reference Category

Twenty-seven percent of all single mothers received public assistance in 1989, and those who did tended to be younger, less educated, less likely to be in school, and more likely to have a disability that prevented working than single mothers who did not receive public assistance.

In all categories of income except social security and public assistance, single mothers who did not receive public assistance reported significantly higher incomes than those who did receive public assistance. This finding contradicts the myth that public assistance income affords single mothers a lifestyle comparable to that of single mothers with jobs. The income of the average single mother on public assistance is 30 percent below the poverty line, whereas the income of the average single mother not on public assistance is 88 percent above it. This contrast makes it abundantly clear that single mothers who must depend on government income assistance are markedly worse off economically, even with benefits, than are single mothers who do not require income assistance.

Almost three times as many single mothers on public assistance said they were looking for work as did single mothers not on public assistance, indicating that although fewer women on public assistance have jobs, a substantial number of them are trying to find one. While 88 percent of single mothers not on public assistance worked an average of 40 weeks in 1989, 36 percent of mothers on public assistance worked an average of 10 weeks. Most single mothers without public assistance worked for pay currently or within the last year, whereas most single mothers on public assistance had not worked in at least a year.

Single mothers on public assistance were more likely to have children under 6 in the home, and had more children under age 18 in the home, than did single mothers not receiving public assistance. Furthermore, single mothers on public assistance were more often never married, whereas single mothers not on public assistance were more often divorced. Never married mothers, many of whom became mothers in their teens, may face a greater obstacle to entering the labor market than divorced mothers because they are less likely to have any work experience or job skills, and less likely to have support from the fathers of their children. African-American single mothers were much

more likely to have received public assistance, whereas white single mothers were more likely not to have received it. Similarly, Mexican, Puerto-Rican and American-Indian single mothers were over-represented among recipients of public assistance income.

Multivariate Analysis

Table 2 presents the results of a logistic regression of employment status on public-assistance income, among other variables. The results indicate that the more public assistance income a single mother received in 1989, the less likely she was to be employed in April of 1990. For each \$1,000 in public-assistance income a single mother received, the odds of her being employed are reduced by .86. Receipt of social security income also depresses the odds of being employed, where for each \$1,000 received, the odds of employment are reduced by .96. Given the much lower average social security income, \$310 per year, this effect is negligible. However, the effect of earnings is positive and more substantial: for each additional \$1,000 earned in 1989, the odds of employment in 1990 increase by 1.12 such that for the average woman with \$11,000, the odds of employment are 12.32 greater than for women with no earnings. Comparing single mothers who did or did not receive public assistance, we see that the average earnings of single mothers on public assistance, \$2,000, translates into a 1.24 increase in the odds of employment compared to no earnings, whereas the average earnings of single mothers not on public assistance, \$14,650, translates into a 16.41 increase in the odds of employment compared to no earnings. In other words, what a single mother is able to earn on the labor market is related to whether or not she is employed. The less a woman was able to earn in 1989, the less likely she was to be employed in 1990.

A number of factors independently affect the probability of employment regardless of how much public assistance is received. Looking first at background factors, older and more educated women are more likely to be employed, whereas women who are currently in school, or who have a disability that limits their work, are less likely to be employed. Work experience was operationalized in a variety of ways, only one of which is included in Table 2 because of the high correlations between the

Table 2

Logistic Regression of Probability of Being Employed in 1990
n=275,651

	B	Standard Error	Odds Ratio
Income in 1989			
Earnings	.110***	.001	1.12
Social Security	-.042***	.004	.96
Public Assistance	-.152***	.0003	.86
Background			
Age	.017***	.001	1.12
Education	.221***	.004	.96
In school now	-.565***	.0003	.86
Disabled	-9.966***	.949	.00
Work			
Worked in 1989	2.117***	.018	8.305
Family			
Children \leq age 5	-.454***	.015	.64
Number of kids	-.095***	.007	.91
Never married ^a	—	—	—
Divorced	.351***	.017	1.42
Separated	.165*	.018	1.18
Widowed	-.001	.030	1.00
Race			
White ^a	—	—	—
African-American	-.231***	.014	.79
Mexican	.063	.035	1.06
Puerto Rican	-.469	.053	.63
Other Hispanic	-.032	.055	.97
Asian/Pacific	-.043	.055	.96
American Indian	-.218***	.049	.80
Other Race	-.211	.162	.81
Constant	-2.486		

^a Reference category

* $P < .05$

** $P < .01$

*** $P < .001$

different indicators. Women who worked for pay in 1989 have much higher odds (8.305) of being employed than women who did not. Models with alternative specifications of work experience (results not shown) indicate that the last year worked and the number of weeks worked in 1989 are both positive predictors of the probability of being employed in 1990. The measures of work experience, in one form or another, all serve to control for the women's continuity of employment, and for selective factors into employment, such that the effects of other variables can be viewed as independent of individuals' tendency to be employed.

Among aspects of family life, the presence of one or more children under age 6 in the home depresses the odds that a woman is employed by .64. Similarly, the more children a woman has, the smaller her odds of being employed, with each additional child depressing the odds of employment by approximately .91. Single mothers who are heads of household must find someone to care for their children while they are at work. It is likely that lack of adequate child care is largely responsible for the negative effects of having young children, or several children, on women's employment status. Given the costs of high-quality child care, and the low availability of government subsidies to poor women for child care, it is not surprising that the more children a single mother has, particularly children under age 6 who cannot go to public school during all day, the harder it is for single mothers to be employed.

Turning to the effects of marital status, divorced or separated mothers are more likely to be employed than are never married mothers, but there are no significant differences between widows and never married mothers. The odds of a divorced or separated woman being employed are 1.42 and 1.18 greater, respectively, than the odds of a never married woman being employed. We suspect that the spouses of divorced and separated mothers are under greater legal and social obligation to provide support for their children than the fathers of never married mothers' children. With this greater support, however meager, comes additional resources to provide single mothers with the opportunity to be employed. Even without child support, divorced or separated mothers may be able to rely on former husbands or mothers-in-law to share with the child care.

Among racial and ethnic groups, African-American and American-Indian women are less likely to be employed than whites. There are no significant effects on the probability of employment of membership in any of the other racial-ethnic categories once income, background, work, and family are taken into account. To some extent, racial discrimination in hiring explains these differences. However, a sizable literature suggests that obstacles to employment such as social isolation, faced disproportionately by minority mothers, have more to do with poor job prospects for un-skilled or semi-skilled entrants to the labor force than with discrimination (Wilson, 1996).

Predicted Probabilities

Table 3 presents predicted probabilities of employment for categories of women defined by race-ethnicity, amount of earnings received in 1989, and amount of public assistance income received in 1989, with all remaining variables held constant at their mean levels. The table shows that for each racial-ethnic group, the probability of employment increases substantially as earnings increase when public assistance income is held constant at \$1,000. For example, among white women with no earnings and \$1,000 public-assistance income, the probability that they are employed in 1990 is .362, whereas for white women earnings \$2,000 and \$1,000 public-assistance income, the probability

Table 3

*Predicted Probabilities of Being Employed in 1990**

	White	African-American	American-Indian
No earnings			
PA (\$1,000)	.362	.311	.314
Earnings (\$1,000)			
PA (\$1000)	.388	.335	.338
Earnings (\$2,000)			
PA (\$1,000)	.415	.360	.363
Earnings (\$3,000)			
PA (\$1,000)	.479	.422	.425

* All independent variables held constant at their mean values for the sample.

of employment increases to .415. The same pattern is evident for African-American women and for American-Indian women, although in both cases, the probability of employment is lower overall. These figures demonstrate the powerful effect of earnings on the probability that a single mother holds a job, regardless of the fact that she received public assistance income in the past year. The overwhelming conclusion of these results is that if women are able to make substantial money, they will work, regardless of what they are entitled to in benefit dollars.

Table 4 depicts the combined effects of education, work experience, and presence of children under age 6, on the probability that a single mother is employed for white women and African-American women, respectively. The top panel of Table 4 shows that white women who were employed in 1989 have a good chance of being employed again in 1990, ranging from .658 to

Table 4

Predicted Probability of Employment by Education, Children Under 6 in the Home, and Race for Single Mothers

	8th grade or less	9-12th grades	High-school diploma	Bachelors' degree	Masters' degree
Whites, Worked for Pay in 1989					
Kids Under Age 6	.658	.706	.749	.853	.879
No Kids Under Age 6	.752	.791	.825	.901	.919
Whites, Did not Work for Pay in 1989					
Kids Under Age 6	.188	.224	.265	.411	.466
No Kids Under Age 6	.267	.313	.362	.524	.579
African-Americans, Worked for Pay in 1989					
Kids Under Age 6	.604	.656	.704	.822	.852
No Kids Under Age 6	.706	.750	.789	.879	.901
African-Americans, Did not Work for Pay in 1989					
Kids Under Age 6	.155	.186	.222	.357	.409
No Kids Under Age 6	.224	.265	.310	.466	.522

* Adjusted for never married women without disabilities, not in school, and with the sample mean level of earnings, social security income, public assistance income and number of children.

.919, regardless of education or age of children. However, the probability does increase monotonically with level of education, and is higher among white women who do not have children under age 6 in the home. The next panel of Table 4 shows much lower predicted probabilities of employment for all white women who were not employed in 1989, ranging from .188 to .579, and once again these probabilities vary positively with level of education, and are higher among women without children under age 6 in the home. In the bottom half of the table, we see the same pattern of results for African-American women, although the predicted probabilities are all somewhat lower, owing to the negative effect of being African-American on the odds of employment. It is important to bear in mind that the changes in probabilities observed in Table 4 apply to women who received average levels of public assistance income in 1989. In other words, these figures represent how a change in work experience, education, or presence of children under 6 would affect the probability of employment for women who already receive some public-assistance income.

These results emphasize the salience of recent work experience, or continuity of employment, in predicting women's employment status in 1990. Though it is a strong predictor in and of itself, whether or not a woman worked for pay in 1989 also represents the effects of unmeasured selection factors into employment, such as the availability of jobs in the local labor market, and women's access to social networks to assist them in finding work. The only definitive interpretation that can be made of this effect is that it is harder for a woman to find employment if she has been out of the labor force for at least one year than if she has been employed for at least part of the past year. However, it is evident from these tables that past work experience, and all that it reflects about women's access to employment, does not ensure continued employment. Women with lower levels of education are less likely to have steady work with incomes that meet or exceed what they are able to receive through public assistance. When coupled with the potential expenses of child care that arise when there are children under age 6 in the home, the rewards of working may not outweigh the government benefits to which single mothers are "entitled." Jencks and Edin (1990) have clearly

shown that the rewards of full-time low-wage employment to single mothers have little chance of improving upon the living they can make by combining welfare income with unreported paid work. The present study uses a national sample to confirm the complex interplay among women's employability, availability of jobs, and the challenges that arise when there are young children to be cared for, in the process of determining whether or not a woman officially works for pay.

Discussion

In this study, we have examined a number of distinct differences between single mothers according to whether or not they have recently received public assistance income. Many of these differences are not surprising, and conform to society-wide stereotypes of who goes on welfare and who does not. However, these data do not indicate that receipt of public assistance causes single mothers to have less desirable employment characteristics (e.g. less education, fewer marketable skills, less work experience) compared to single-mothers who do not receive public assistance. On the contrary, our analysis has shown that these characteristics serve to bar women from the workforce. Although our results show that the receipt of public assistance income depresses the odds that a single mother is employed, a number of other factors affect employment status regardless of public-assistance income. Younger, less educated, women are less likely to be employed as are women with children under age 6 in the home and women with relatively greater numbers of children. African-American and American-Indian women are less likely to be employed than white women. Perhaps most importantly, women with relatively low earnings in the past year are less likely to be employed in the present than women with relatively higher earnings.

The policy implications of these findings fit squarely into current debates on the connections among welfare receipt, work incentives, and employment. Foremost, while the results clearly indicate that public assistance income inhibits women from working, they do not suggest that if that income is taken away, single mothers will immediately enter the labor force. Rather, the findings point to a number of obstacles to employment faced by young single mothers that must be addressed for them to have

the opportunity to be employed. The most concrete obstacle single mothers face is their lack of access to affordable, high-quality child care services. Recent research has demonstrated that subsidizing child care costs is a key factor affecting poor and near-poor mother's decision to work (GAO 1994a). High-quality child care is expensive and many single mothers simply lack the earning power to make employment a rational alternative. Thus, future reform efforts must consider the provision of subsidized child care, so that mothers may earn more by working than they would by staying with their children and receiving public-assistance income.

The second obstacle facing single mothers is poor or inadequately developed education and job skills. Recent reforms such as the Family Support Act of 1988 (FSA) and, specifically, the Job Opportunities and Basic Skills Training (JOBS) program created under FSA, have been charged with providing an increasing proportion of AFDC recipients with education, training, and other necessary services such as child care and transportation that they need to obtain jobs and avoid long-term welfare dependence. Nonetheless, while limited data suggests that such programs can have a positive, yet typically modest impact (GAO 1994b), these piecemeal efforts can do little to stem the tide of declining employment and income prospects for those who have fared the worst over the past two decades: young individuals with low levels of education and work experience (William T Grant Commission, 1988; Mishel & Bernstein 1996) and those who are socially isolated in inner cities (Wilson 1996). Greater attention to the broader structure of employment and opportunity, such as federal efforts to create jobs opportunities that provide a living wage and standard benefits, is critical for protecting the interests of this vulnerable population as the welfare revisions signed into law unfold.

Three categories of charges are typically leveled at the American welfare state: social welfare programs are undesirable, ungovernable, and unaffordable (Marmor, et al., 1991). As evidenced by recent passage of welfare reform legislation, high among the "undesirable" is the idea that welfare creates work disincentives and, thus, exacerbates the economic prospects of individuals that such programs are designed to improve. It would be inaccurate to suggest that critics of welfare reserve their animus

solely for the work disincentives created by welfare receipt, or that they do not possess an appreciation of diverse factors which affect employment of single mothers with dependent children; nonetheless, recently passed legislation appears to be premised on the idea that time-bound limits on assistance *alone* will compel most recipients to participate in work activities. Our study clearly indicates that while the receipt of public assistance income depresses the odds that a single mother is employed, a number of social structural factors affect employment status irrespective of the receipt of public assistance. The policy implications of this analysis are equally clear: improving the employment prospects and self sufficiency of single women with children requires greater attention to the socio-economic determinants of labor force status, not to mention the broader structure of employment opportunity faced by this segment of the population.

Notes

1. In this study, "public assistance income" includes: (1) Supplemental Security Income made by Federal or State welfare agencies to low-income persons and persons who are age 65 or older, blind, or disabled; (2) Aid to Families with Dependent Children, and (3) General Assistance. We use the terms "public assistance" and "public assistance income" as shorthand references for income received from any or all of these sources.
2. The decision to consider household heads was dictated by the need to know the number of natural-born or adopted children in the household. This variable was only defined for household heads. It is noteworthy that 80.1 percent of all single mothers in this sample were household heads.
3. Women are categorized as either employed or not, without distinguishing between those who are categorized as "unemployed" or "out of the labor force". The definition of "unemployed" used in the Census—that is, having applied for a job within the past month—excludes women who are interested in working, but are discouraged from applying because of repeated failure. Therefore, the distinction between being unemployed and out of the labor force is somewhat artificial.
4. Public assistance income was reported for the entire 1989 calendar year, while labor-force status refers to April, 1990, when the Census was taken.
5. We assume that if a woman receiving public assistance was willing to report her employment to the Census Bureau, the welfare agency in charge of setting her benefit levels was also privy to that information.
6. Most women on AFDC under-reported their earnings so to avoid losing benefits, without which they would not have had the means to support their families (Jencks & Edin 1991; Kerlin 1993).

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Appendix:

Measurement of Variables

Variable Label	Measurement of Variable
Employed	1=Employed in April, 1990
Welfare recipient	1=Reported public assistance income in 1989
Income in 1989	
Household income,\$1,000s	Income of householder, all residents age 15 and up
Family income, \$1,000s	Income of all family members age 15 and up
Personal income, \$1,000s	Total income of householder
Earnings, \$1,000s	Wage or salary income
Social security, \$1,000s	Pensions, survivors benefits, disability insurance
Public assistance,\$1,000s	SSI, AFDC, General Assistance
Poverty status	Percent above/below poverty level of 100.
Background	
Age	Age, in years
Education	1=8th grade or less, 2=9–12th, 3=High school grad, 4=some college, 5=associate degree, 6=BA, 7=MA, 8=professional degree, 9=doctorate
In school now	1=Currently attending school
Disabled	1=Disability prevents employment
Work	
Looking for work	1=Currently looking for work
Worked in 1989	1=Worked for pay in 1989
Weeks worked in 1989	Number of weeks worked for pay in 1989
Year last worked	1=1990, 2=1989, 3=1988, 4=1985–87, 5=1980–84, 6=79 or earlier, 7=never
Family	
Children under age 6	Own children age 6 and under in the home
Number of children	Number of children ever born/adopted in the home
Never married	1=Never married, 0 otherwise
Divorced	1=Divorced, 0 otherwise
Separated	1=Separated but legally married, 0 otherwise
Widowed	1=Widowed, 0 otherwise
Race/Ethnicity	
White	1=White, not Hispanic, 0 otherwise
African-American	1=African-American, not Hispanic, 0 otherwise
Mexican	1=Mexican, 0 otherwise
Puerto-Rican	1=Puerto-Rican, 0 otherwise
Other Hispanic	1=All other Hispanic, 0 otherwise
Asian or Pacific Islander	1=Asian or Pacific Islander, 0 otherwise
American-Indian	1=American-Indian, 0 otherwise
All other races	1=Alaskan, Aleut, and "race not specified"