Survey of Income and Program Participation

The Employment of Mothers and
the Prevention of Poverty

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Our goal in this paper is to examine empirically the role that the employment of mothers plays (and might play) in keeping (or getting) families above poverty. We use the Survey of Income and Program Participation (SIPP), a relatively new longitudinal data set available from the Census Bureau and consider two years of income experience for the families in the survey.

Our interest in this topic stems from several recent phenomena: 1) relatively stagnant family incomes in real terms since the mid 1970's; 2) the rapid increase in the employment of mothers in the 1960's and 1970's; and 3) various policy prescriptions that call for the education, training, and employment of mothers (of even very young children) who receive AFDC (other policy issues related to mothers' employment and currently under discussion include subsidizing child care costs and providing tax credits to parents).

The questions we ask include:

How much employment do mothers now undertake, in terms of hours per week and weeks per year, and with what variables (number and ages of children, for example) is the amount of their employment correlated?

To what extent does the employment of mothers currently keep families above the poverty line? (For those on and off welfare, and given other family earnings/income.)

How much would changes in mothers' employment affect the poverty status of families? Which changes would be most important: changes in the hours of employment, in the wage level (either through increases in the minimum wage or in women's earnings)? How much additional employment is it reasonable to expect mothers to undertake?

The Data Set, Sample, Universe

The 1984 panel of SIPP consists of a nationally representative (clustered) sample of approximately 20,000 households that are interviewed every four months. Households are interviewed 8 or 9 times over a 2 1/2 year period if they remain in the sample. Respondents are asked rather detailed questions about their labor force participation and their sources of income, retrospectively--generally for each month in the 4-month period preceding the month of interview (although some questions are asked only once per interview, and some are asked for each week). Each interview consists of a set of core questions which are repeated every wave and a set of topical module questions, which vary from wave to wave. We used responses to the core questions in each wave, and responses to a special module on work history and work experience in the third wave.

For our study, we consider only women who remained in the sample for the entire year following their initial interview (interviewed in the first round plus the next three). We exclude information gathered in the initial interview because marital

status change was not ascertained for the reference period covered in that interview. For some analyses, we further restrict our sample to those who remained through the end of the second year (following the start of the study). The subset of data we examine were collected from February 1984 through January 1986 and pertain to the period October 1983 through December 1985. (1) We limit the age range of the women studied to that associated with having children, ages 15 through 55. There are 13,204 women in our sample in year 1, and 9,072 in year 2.

The Census Bureau makes public use tapes available for each separate round of interviewing; to construct a longitudinal file, users must match the individuals in the various interview rounds. (The Bureau has made a 12-month longitudinal file available on an experimental basis to researchers. This file merges the initial round of interviewing with the two subsequent re-interviews.) The data file we use was created at the Institute for Social Research at the University of Michigan.(2) We used the weights provided by the Census Bureau in the initial round of interviewing for each individual.

How Much Are Mothers Working?

Mothers, particularly married mothers are working a surprising amount, these data from the first year of our SIPP sample show. In presenting tabulations from our analysis of women's work hours, we confine the presentation to women who were married or unmarried during the entire year (not both for portions

of the year) and to mothers who had children under 18 present with them the entire year (or to women who had no children the entire year, not those who had children part of the year). Looking at data from the first year of our sample, two-thirds of mothers of children under 18 (who were living with them all year) worked at some time during the year. Of those who worked, two-thirds worked 1000 hours or more during the year.

As Table 1 shows, married mothers, on average, were more likely to work during the year than non-married mothers; they also worked more hours during the year. But, as the second panel of data in Table 1 shows, when only mothers who are not poor are compared, nonmarried mothers are more likely (77 percent) to work than married mothers (70 percent). The greater propensity of non-married mothers to work is generally attributed to their sole-earning status; they do not have a husband to assist in family support. (Eliminating the poor from the comparison increases the participation rate of the nonmarried women more, because more of the nonmarried mothers are poor, and the poor, especially those receiving AFDC, are less likely to work.) Table 2 presents annual work hours for poor women, comparing those who receive AFDC with those who do not. Not surprisingly, those who do not receive AFDC are more likely to work than those who do.

In Tables 3 and 4, we examine two components of annual hours worked by considering hours worked per week when working and weeks worked per year. Our interest is in discerning whether any particular patterns of work emerge for different groups of women.

As Table 3 shows, of the women who are working, nearly half (46.0 percent) work both full-time (35 hours or more per week) and year-round. The vast majority work more than 25 weeks a year and more than 24 hours a week, indicating a significant, consistent commitment to the labor market. Even among those working part-time and part-year, data show that the majority worked 24 or more hours per week or 25 weeks or more per year (data not displayed).

As Table 3 shows, poor women are of course much less likely to be working full-time, year-round than nonpoor women. They're more than twice as likely to be out of the labor force entirely and about twice as likely to have marginal participation (working both fewer than 35 hours per week and part-year). Interestingly, poor women also are more than twice as likely to have worked full-time (35 hours or more) but only part-year (compared to nonpoor women). While this may partially reflect the movement of poor women on and off welfare (moving between full-time jobs that pay badly and welfare, because welfare discourages work), even poor women not receiving AFDC seem to show this same pattern of full-time work for only part of the year. Further research (using this and other data sets) could investigate why this occurs: do jobs disappear? do health crises occur forcing a woman to leave a job? Apparently, holding a full-time job all year may allow a woman to escape poverty, but when she loses it, poverty becomes more likely.

Table 4 presents data on weeks worked per year and hours worked per week working for all women, married women with children, unmarried women with children, and non-poor and poor families. There appears to be much more difference between mothers and all women, and between the poor and the nonpoor, with respect to weeks worked per year than with respect to hours worked per week. That is weeks worked per year exhibits more variability.

Results of regression analyses, with "annual hours of employment," "weeks worked per year," and "hours worked per week when working" as the dependent variables are shown in Table 5. These multi-variate analyses allow assessment of the independent effect on time worked of various characteristics of the mother, including marital status, numbers and ages of children, education, experience, and race or ethnicity.

The experience variable included in these analyses is actual work experience as constructed from responses to questions in the topical module on work history, used in the third round of interviewing. Questions included years on current job, years of work experience in the same or similar occupation, years worked six months or more, whether generally worked full-time or part-time. While creating a truly accurate experience variable is difficult in the SIPP (because different questions were asked of different subsets of the sample), the experience variable estimated is undoubtedly superior to the proxy often used (which

is perhaps better labeled as potential experience--age minus 6 minus years of schooling).

As can be seen in Table 5, the constructed experience variable has the generally anticipated effect on hours worked. In general, anything that increases the return from working increases work hours: greater experience, higher levels of educational attainment, higher wages. Constraints on women's work hours include the presence and number of children and the age of youngest child, as well as being disabled or in poor health. Need plays a role in that higher family property income reduces women's time employed. Married women may have less need to work (because of husband's income) and also may have more constraints on work hours outside the home.

Examining the regression coefficients for the analysis of total annual hours worked, we find that, compared to unmarried women with no children (the excluded category), unmarried women with children work nearly 250 hours less per year. Married women with children work even less--425 hours. Each additional child reduces annual work hours by 40. In addition, having young children reduces women's work hours substantially, whereas having older children seems to stimulate women's annual work time. Perhaps older children represent both less constraint on women's working and greater need for income. Experience has a generally positive effect on work hours, but decreasingly positive as experience lengthens. The effect of age is nonlinear, with those 21 to 49 years of age showing more work hours than either younger

or older women. Achievement of higher levels of education substantially increases work hours, and having very low job skills seems to decrease work hours. Being Hispanic (of any race) has a negative, though insignificantly so, effect on total annual work hours, while being black significantly reduces work hours (by more than 60 per year--though not nearly as much as having children does).

Results for hours worked per week (when working) and weeks worked per year are somewhat different from those just discussed and also differ from each other. With respect to hours worked per week compared to total annual hours, age, experience, and education generally behave similarly, as do marital status and number of children. The presence of young children has positive effects on hours worked per week, however. Being black or hispanic increases hours per week (when working) and significantly so. A higher hourly wage increases hours, but the presence of the wage in the equation tends to reduce the size of the effects of education, experience and so on (results not shown). The last equation shows that the wage has a stronger effect on weeks worked per year than on hours per week. Interestingly, there is little effect of marital status or presence of children, while the effect of having a child under one, or a preschooler, on weeks worked is large and negative. Even older children have negative effects on weeks worked.

These variations in effect might well bear further study. Perhaps, women who desire to adjust their work hours do so by

varying some combination of weeks worked per year (in response, for example, to long summer vacations for school age children) and hours worked per week. Anticipating taking summers off, some mothers may work more hours when working. Or weeks worked may be more easily manipulated by women than hours worked per week, given constraints set by employers. Since women with higher education levels are also seen to work fewer weeks per year, this too suggests some degree of exercise of choice over number of weeks worked. Those with very little schooling who also work fewer weeks, however, may do so because they find year-round work less available. The variations suggest that institutional factors play a role in the work decisions women make.

A third component of annual hours worked (in addition to weeks worked per year and hours worked per week) is the probability of working. As part of the process of imputing a wage for those not working, we regressed the probability of working (defined as working more than 200 hours per year) against a variety of predictors available for women in and out of the labor force (education, children, asset income, health status, race and ethnicity, and an adjusted indicator of the percent of potential experience that was spent in the labor market). Those who were self-employed were excluded from the sample for this analysis. The results concerning whether or not one participates are similar to those concerning how much one participates: the effect of poor health is negative, sizable, and significant; being married and having children is negative and significant; having additional

children and having young children are also negative factors; having older children is positive and significant; education is strongly positive, the more educated the more likely the woman is to participate in the labor market; prior labor force commitment was strongly predictive of current labor status.

Differences over the two-year time period in the means for some of the variables noted above are displayed below. In general work time, annual earnings, and hourly earnings increased between the first and second years, for all women, married women with children, and unmarried women with children:

	Year 1	Year 2	Percent Increase
Total annual work hours	1104	1158	4.9
Married women, children	991	1030	3.9
Unmarried women, children	750	886	18.1
Hours per week when working	33.6	34.1	1.5
Married women, children	32.1	32.5	1.2
Unmarried women, children	29.8	31.0	4.0
Total annual weeks worked	31.3	32.5	3.8
Married women, children	29.6	30.5	3.0
Unmarried women, children	23.3	26.9	15.9
Annual earnings (employees only)	7007	7406	5.7
Married women, children	6268	6860	9.4
Unmarried women, children	4022	4952	23.1
Average hourly earnings (empees)	5.83	6.22	6.7
Married women, children	6.00	6.30	5.0
Unmarried women, children	4.36	4.77	9.4

The one-year increases for unmarried mothers are rather large. Increases in total hours worked and total earnings for unmarried mothers appear to be the result of these mothers having worked more

weeks per year. (Weeks worked appears to be what these women can change most readily.)

How Much Do Mothers Now Contribute to Family Income?

Table 6 summarizes the contributions mothers' (and nonmothers') employment makes to keeping families out of poverty. The income to needs ratios were calculated in two ways for the families of each of the women in our sample. The first calculation included the woman's earnings in the family's income; the second did not. Of course, most families to which these women belong (44 million) are not poor, whether or not the mother's (woman's) income is counted; 7 million are poor even when it is counted. For 8 million families, the woman's income makes the difference between living above or below poverty. Thus the poverty rate would be slightly more than twice as large as it is now if women were not working. (Of course, this calculation assumes no compensating behavior by the woman or other family members.)

Because single women with children have the highest incidence of poverty, the ability of a single working mother to keep her family above poverty is very important. Yet, it is clear from the data in Table 6, that women (both married and single) who have children are less likely to be able to pull themselves out of poverty with their own earnings than are those women with no children to support.

In addition to exploring the threshold between poverty status and nonpoverty, we also examined the full range of income to needs ratios as they are affected by mothers' employment. Of the 8 million families that women bring above poverty by their earnings, fully 2 million were raised from poverty to the middle class and above by women's employment. For single mothers, their earnings raised only 10 percent of their families from below poverty to a middle class income level (for married mothers, it's less than 2 per cent). As we've noted, it's easier for women's earnings to raise family incomes above poverty when there are not children to provide for.

How Would Changes in Mothers' Employment Affect Their Families' Income

Women's labor market work has increasingly become a focal policy tool for improving the economic situation of poor families, with recent policies emphasizing measures to encourage enhancement of labor market skills and greater labor market commitment by mothers. However, little is known about the limits of this tool, and hence the limits of economic improvements to be achieved with it.

Among the important unknown parameters is an assessment of the upper bounds to the labor market time of mothers, given that such time competes strongly with family oriented-activities. Is it reasonable, for example, to expect mothers to work at least as much as men and continue to shoulder the major responsibility for

the nurture and care of family members? What is a more attainable maximum for mothers' work time?

Another important issue is the way in which increases in the earnings of mothers are most effectively achieved. Earnings can be increased in two ways--via increased wages and via increased work time. Little has been done to estimate the full range of policy options concerning women's work and the relative merits of the two routes to increased earnings. We explore the implications of a number of different combinations of wages and work-hour options, holding constant all factors other than proposed changes in wages and/or work hours.

One candidate for the lower bound on the maximum work commitment of mothers is the work commitment of otherwise similar women who are unmarried with no children to care for. This level of labor market hours would still be likely to impose a sizeable burden on mothers, with their multiple roles to fill, but would tend to be of a more tolerable magnitude than complete equivalence with men's labor market commitment. To estimate the difference between work hours of mothers and those of similar unmarried women with no children, we regressed total annual work hours on a set of characteristics likely to influence level of labor market commitment. From this, we find that, controlling for education, family property income, disability/poor health, age, and race, women who were unmarried with no children living with them over the entire year tended to work 409 more hours than other women. This difference was significant at the 95% level, with a t-ratio

of 19.805. This is a sizeable difference, the equivalent of over 10 more 40-hour work weeks during a year's time. Thus, even though mothers have had very strong labor force commitments in recent years, our assessment of their potential commitment would mean further, quite sizeable increases in their work hours. We apply the work hours of otherwise similar unmarried women with no children as a lower limit when assessing options for reducing poverty via mothers' earnings.

The full range of options that we investigate is outlined in Table A, with separate estimates given for the unmarried and married mothers, as well as a further breakdown of unmarried mothers into those receiving AFDC and those not receiving it. These options vary work hours from existing levels to the maximum levels just described, and they vary wages from existing levels, to a level with a minimum equivalent to the official minimum wage ($3.35/hour), to a level with a minimum of $5.00/hour, to a wage 2/3 higher than current levels--a wage commensurate with male wages.

For this table we see that raising the minimum wage received by mothers to the official minimum wage level has only a modest effect on poverty rates. This tendency holds across all groups examined and regardless of the assumption about work hour levels. In fact, the reductions in poverty for all wage increases examined are somewhat modest, especially relative to effects of the sizeable increases in work hours that would result if mothers were working at least as many labor market hours as otherwise similar

unmarried women with no children. This sizeable increase in the labor market commitment of mothers tends, by itself, to cut their poverty rate in half, although the reduction is somewhat more modest in the case of non-AFDC recipient unmarried women with children than for other mothers. With such a shift, poverty rates are again cut in half if wages are raised from their existing levels to a level high enough to close the male-female wage gap. A $5.00/hour minimum, interestingly, accomplishes almost as much as closing the gender gap in wages. These patterns are fairly consistent across the different marital status and welfare status groups.

It is important to remember that the lower limit on work hours in the "maximial work hour increases" scenarios in Table A involve quite sizeable increases in labor market time, taking mothers out of the home for much longer periods of time than is currently the case. In addition, no adjustments have been made for the fact that such sizeable increases in labor market hours will mean that much of the increased earnings of mothers obtained with the longer work hours will be needed to cover added child care costs rather than for other needs of the family. Thus, further investigation of these issues is clearly needed.

NOTES

1 Because the households in the sample are divided into four rotation groups, with approximately 1/4 of the sample being interviewed each month, about their previous 4 months experience, the data for any one round of interviewing round pertain to different months for different families in the survey. Thus the 12-month periods referred to here as year 1 and year 2, while representing 12 consecutive months for each family, are not the same 12 months for all families.

2 Our data set was created by Marita Servais, at ISR, who has developed efficient and effective programming that allows the researcher to select variables from any interview round from both the core and topical modules. With a data set as complicated as SIPP, this is really a remarkable achievement, one that should facilitate the use of SIPP by researchers. In our application, some 24 tapes were first reduced to 2 tapes, containing all the variables we expected to need for this and subsequent analyses. The specific variables needed here were then further reduced to a data set small enough to make disk storage economical.

Table 1, Annual Hours of Work (Year 1)

	0	1-399	400-999	1000-1499	1500-2079	2080-2499	2500+	TOTAL
All Women								
Married Mothers	639.77	169.84	249.31	204.88	273.96	386.65	54.18	1,978.59
	32.3	8.5	12.6	10.4	13.8	19.5	2.7	100.0
Single Mothers	366.19	161.02	157.80	88.54	108.12	136.50	19.52	1,037.68
	35.3	15.6	15.2	8.5	10.4	13.2	1.9	100.0
All Mothers	1005.96	330.86	407.11	293.42	382.08	523.15	73.70	3016.27
	33.4	11.0	13.5	9.7	12.7	17.3	2.4	100.0
Married Women-no kids	250.95	42.96	75.97	81.61	172.02	298.52	45.87	967.84
	25.9	4.4	7.9	8.4	17.8	30.8	4.7	100.0
Single Women-no kids	146.65	67.23	99.70	90.79	201.11	329.91	65.24	1,000.63
	14.7	6.7	10.0	9.1	20.1	33.0	6.5	100.0
Not Poor Women								
Married Mothers	553.80	161.52	243.63	197.16	264.56	383.59	52.49	1,843.26
	30.0	8.5	12.7	10.7	14.4	20.8	2.8	100.0
Single Mothers	170.53	125.91	129.22	69.11	89.19	132.77	18.56	735.28
	23.2	17.1	17.6	9.4	12.1	18.1	2.5	100.0
Married Women-no kids	231.71	39.97	73.25	79.98	169.69	297.32	45.02	935.93
	24.8	4.3	7.8	8.4	18.1	31.8	4.8	100.0
Single Women-no kids	76.95	45.09	70.88	78.17	194.00	325.28	62.01	852.37
	9.0	5.3	8.3	9.2	22.8	38.2	7.3	100.0

NOTE: Number of women in 10,000's.

Family status and presence (or absence) of children were stable throughout the year.

SOURCE: SIPP DATA, Waves 2-4, 1984-1986.

Table 2. Annual Hours of Work (Year 1)--Poor Women

	0	1-399	400-999	1000-1499	1500-2079	2080-2499	2500+	TOTAL
Poor Women								
Married Mothers	85.97	12.82	14.68	7.72	9.40	3.06	1.69	135.33
	63.5	9.40	10.8	5.7	6.9	2.3	1.3	100.0
Single Mothers	195.66	35.11	28.58	19.43	18.93	3.73	0.96	302.40
	64.7	11.7	9.4	6.4	6.3	1.2	0.3	100.0
Married Women-no kids	19.24	2.93	2.72	2.63	2.33	1.20	0.85	31.91
	60.3	9.2	8.5	8.2	7.3	3.8	2.7	100.0
Single Women-no kids	69.70	22.14	28.82	12.62	7.11	4.63	3.23	148.26
	47.0	14.9	19.4	8.5	4.8	3.1	2.2	100.0
Poor Women receiving AFDC								
Single Mothers	118.87	9.13	13.00	5.02	2.87	0.92	0.44	150.26
	79.1	6.1	8.7	3.3	1.9	0.6	0.3	100.0
Poor Women-no AFDC								
Married Mothers	72.16	12.36	13.43	7.29	9.40	2.67	1.24	118.54
	60.9	10.5	11.3	6.1	7.9	2.3	1.0	100.0
Single Mothers	76.79	25.98	15.58	14.41	16.06	2.81	.52	152.14
	50.5	17.1	10.2	9.5	10.6	1.8	0.3	100.0

NOTE: Number of women in 10,000's.

Family status and presence (or absence) of children were stable throughout the year.

SOURCE: SIPP DATA, Waves 2-4, 1984-1986.

Table 3. Hours Per Week and Weeks Per Year (Year 1)

	Part-Time/ Part-Year	Part-Time/ Full-Year	Full-Time/ Part-Year	Full-Time/ Full-Year	Total Working	Not Working
All Women	890.07	693.35	637.02	1891.78	4112.22	1,515.22
	21.6	16.9	15.5	46.0	100.00	
Not Poor	763.83	646.31	543.13	1862.17	3815.44	1,101.19
	20.0	16.9	14.2	48.8	100.00	
Poor-All	126.23	47.04	93.90	29.61	296.78	414.03
	42.5	15.9	31.6	10.0	100.00	
Poor Receiving AFDC [a]	24.19	4.82	25.05	2.11	56.19	166.25
	43.1	8.6	44.5	3.8	100.0	

[a] Received AFDC at least 8 out 12 months.

NOTE: Number of women in 10,000's.

Full-time is defined as 35 Hours of work or more per week; part-time is less than 35 hours.

SOURCE: SIPP DATA, Waves 2-4, 1984-1986

Table 4. Weeks Worked Per Year

	1-24	25-39	40-49	50 or more	TOTAL
All Women	704.49	482.88	339.71	2585.13	4112.22
	(17.1)	(11.7)	(8.3)	(62.9)	(100.0)
Married with children	218.01	158.17	112.67	859.21	1348.06
	(16.2)	(11.7)	(8.3)	(63.7)	(100.0)
Unmarried with children	212.67	93.45	(63.86)	303.09	673.07
	(31.6)	(13.9)	(9.4)	(45.0)	(100.0)
Non Poor	569.85	422.04	315.08	2,508.48	3815.44
	(14.9)	(11.1)	(8.3)	(65.7)	(100.0)
Poor	134.64	60.86	24.63	76.65	296.78
	(45.4)	(20.5)	(8.3)	(25.8)	(100.0)

Hours Worked Per Week When Working

	1-15	16-23	24-34	35 or more	TOTAL
All Women	395.39	492.80	695.22	2528.81	4,112.22
	(10.0)	(12.0)	(17.0)	(61.0)	(100.0)
Married with children	161.77	190.05	242.52	752.87	(1346.91)
	(12.0)	(14.0)	(18.0)	(56.0)	(100.0)
Unmarried with children	111.23	116.73	124.04	320.70	672.70
	(16.5)	(17.4)	(18.4)	(47.7)	(100.0)
Non Poor	351.16	439.69	619.30	2405.30	3815.14
	(9.2)	(11.5)	(16.2)	(63.0)	(100.0)
Poor	44.24	53.12	75.91	123.51	296.78
	(14.9)	(18.0)	(28.1)	(41.6)	(100.0)

NOTE: Number of women in 10,000's.

Family status and presence (or absence) of children were stable throughout the year.

SOURCE: SIPP DATA, Waves 2-4, 1984-1986.

Table 5. Regression Analysis of Time Worked (Year 1)
Dependent Variable

Selected Independent Variables	Total Annual Hours Worked	Hours Per Week When Working	Total Annual Weeks Worked
Married, with children	-424.9	-5.3	0.7
	(10.07)	(8.17)	(0.82)
Unmarried, with children	-244.7	(-2.7)	1.0
	(5.52)	(3.87)	(1.14)
Other Status, children part-time	-187.6	-1.3	-0.9
	(8.45)	(4.01)	(2.25)
Number own children, 0-17	-41.3	-0.7	-0.5
	(4.23)	(4.27)	(2.33)
Age Youngest <1	-296.2	0.40	-6.9
	(6.30)	(0.52)	(7.28)
Age Youngest 1-5	-133.9	1.4	-4.2
	(3.12)	(2.08)	(4.83)
Age Youngest 6-12	97.3	2.6	-1.8
	(2.29)	(3.82)	(2.09)
Age Youngest 13-12	182.4	2.1	-1.4
	(4.48)	(3.31)	(1.74)
If Disabled	-445.9	-2.0	-3.7
	(15.38)	(3.54)	(5.23)
If in poor general health	-467.7	-1.6	-5.5
	(9.26)	(1.24)	(3.49)
Adjusted Years Work Experience	84.5	0.5	1.0
	(35.6)	(13.07)	(18.95)
Adjusted Experience Squared	-1.3	-0.006	-0.02
	(15.3)	(4.95)	(12.80)
PhD/Professional Degree	674.8	5.7	-1.2
	(7.45)	(4.36)	(0.48)
Masters Degree	324.2	.8	-1.3
	(8.21)	(1.37)	(1.88)
Bachelors Degree	217.9	.4	-.79
	(8.79)	(1.16)	(1.14)
9-11th Grade, No Training	-257.1	-1.9	-4.2
	(10.72)	(4.68)	(8.01)
Less Than 9th Grade	-195.8	0.9	-2.9
	(5.73)	(1.41)	(3.48)
Hispanic	-2.6	1.7	-1.3
	(0.09)	(3.21)	(1.99)
Black, non-hispanic	-63.2	.8	-1.1
	(2.82)	(2.24)	(2.41)
Annual Property Income	-13.4	-0.1	-0.1
	(7.6)	(4.15)	(4.11)
Hourly Wage	----	0.2	0.6
		(5.2)	(13.83)

1 Variables included in the regression but not displayed include age of woman and some educational levels
2 The excluded category is unmarried women with no children under 18.
3 The excluded educational category is high school diploma, no training; not all educational categories are displayed here.

NOTE: T-statistics in parentheses.
99% confidence level, when $T \geq 2.52$
95% confidence level, when $T \geq 1.96$

Table 6. Contribution of Mothers' Earnings to Poverty Reduction for Families (Year 1)

	Poor (With or without Mothers' Earnings	Not Poor Because of Mothers' Earnings)	Not Poor (with or without Mothers' Earnings)	TOTAL	POVERTY RATE with Mothers' Earnings	POVERTY RATE without Mothers' Earnings
Married Women with Children	135.34	82.01	1,761.24	1,978.59	6.8	11.0
Single Women with Children	302.18	173.69	561.81	1,037.68	29.1	45.9
All Married Women (with or without children)	190.17	143.22	2,915.91	3,249.30	5.8	10.4
All Women	710.77	792.24	4,397.76	5,900.77	12.6	26.8

NOTE: Number of women in 10,000's.
Family status and presence (or absence) of children were stable throughout the year.

SOURCE: SIPP Data, Waves 2-4, 1984-1986

Table A: Potential Contribution of Mothers' Earnings to Poverty Reductions for Families Under Differing Assumptions About Mothers' Work Hours and Wage Levels (1)

Assumed Changes (2)	Single Women With Children		Married Women With Children		Single and Married Women With Children	
	Actual Poverty Rate	Potential Poverty Rate	Actual Poverty Rate	Potential Poverty Rate	Actual Poverty Rate	Potential Poverty Rate
Those Receiving AFDC (3)						
	91.8		-		-	
Work Hours Unchanged:						
Wage Floor at $3.35/hour		89.9		-		-
Wage Floor at $5.00/hour		87.0		-		-
Female Wage Raised to Male Wage Level		85.4		-		-
Maximal Work Hour Increases (4):						
Wage Unchanged		45.6		-		-
Wage Floor at $3.35/hour		41.1		-		-
Wage Floor at $5.00/hour		29.2		-		-
Female Wage Raised to Male Wage Level		22.3		-		-
Those Not Receiving AFDC (3)						
	17.2		6.0		-	
Work Hours Unchanged:						
Wage Floor at $3.35/hour		16.3		5.6		-
Wage Floor at $5.00/hour		13.6		5.2		-
Female Wage Raised to Male Wage Level		12.8		5.0		-
Maximal Work Hour Increases (4):						
Wage Unchanged		11.5		2.4		-
Wage Floor at $3.35/hour		10.5		2.2		-
Wage Floor at $5.00/hour		6.6		1.4		-
Female Wage Raised to Male Wage Level		5.7		1.1		-
All						
	30.3		6.8		14.3	
Work Hours Unchanged:						
Wage Floor at $3.35/hour		29.2		6.4		13.7
Wage Floor at $5.00/hour		26.5		5.9		12.5
Female Wage Raised to Male Wage Level		25.5		5.8		12.1
Maximal Work Hour Increases (4):						

Assumed Changes (2)	Single Women With Children		Married Women With Children		Single and Married Women With Children	
	Actual Poverty Rate	Potential Poverty Rate	Actual Poverty Rate	Potential Poverty Rate	Actual Poverty Rate	Potential Poverty Rate
	All					
Wage Unchanged		17.5		2.9		7.6
Wage Floor at $3.35/hour		15.9		2.6		6.9
Wage Floor at $5.00/hour		10.6		1.7		4.6
Female Wage Raised to Male Wage Level		8.6		1.4		3.7

NOTES:

(1) The sample for this analysis consists of 6,712 women aged 15-55 who were either married with children under age 18 or unmarried with children under 18 throughout the 12 months of year 1, and who had no missing data on measures used to impute estimates of wages and annual work hours. These measures include experience, education, age, presence and ages of children, marital status, and family property income. The imputation of wages involved an Olsen selection-bias adjustment using OLS regression. The imputation of annual work hours was also based on OLS regression.

(2) The changes listed assume no changes in conditins other than that indicated. This means no compensating behavior on the part of other family members and no changes in male wages. No adjustments are made for the fact that increased buying power from increased mothers' work hours may be canceled by increased child care expenses.

(3) The woman is classified as receiving AFDC if she received AFDC income for at least 4 of the 12 months of the year.

(4) Maximal work hours are either the number of work hours a similar woman who is unmarried, with no children tends to work, or the mother's actual work hours, whichever is larger.