

Income and Job Market Outcomes After Welfare: 1990-1995

by

Thomas P. Vartanian, PhD
Graduate School of Social Work and Social Research
Bryn Mawr College
Bryn Mawr, PA 19010
610-520-2624
tvartani@brynmawr.edu

and

Philip M. Gleason, PhD
Mathematica Policy Research

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Abstract

This article examines a number of models to determine the effects of personal and policy characteristics on how AFDC recipients fare economically after initially leaving welfare. The study includes analyses of wage rates, hours of work, personal earnings, overall income levels, transfer income, time spent employed and not employed, and time spent below the poverty line. Hypotheses regarding area economic conditions, human capital, time spent receiving welfare, state unemployment rates, work training, and health conditions of the children of former recipients are examined. The findings indicate that time spent receiving welfare had little effect on post-welfare economic outcomes. Furthermore, former welfare recipients living in states with more generous welfare payments work more, are no more likely to use welfare, and are generally economically better off than those living in less generous states, even after controlling for income levels within the state. These results indicate that generous state welfare programs may not be a disincentive to work. The findings also indicate that women who are the primary earners in their families after they leave welfare do economically worse than those who are not, even for women who are married. Also, former recipients with little education who live in areas with high unemployment rates, and who have many or more children after AFDC, fare economically worse than others.

With the passage of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), welfare recipients will be expected to work far more than in the previous 60 year history of the Aid to Families with Dependent Children (AFDC) program. States will soon have the choice of either enforcing work requirements for welfare recipients, including specifications that 50 percent of all welfare recipients are involved in work related activities by 2002, or lose at least part of their federal block grant funds for welfare. These provisions, as well as the newly imposed five year limit on welfare receipt, will ensure that a far larger number of welfare or former welfare recipients will participate in the labor force.

While most recipients will be limited in the number of years that they may receive welfare, federal and state governments are not guaranteeing jobs for the newly ineligible. This may mean, even during periods of economic prosperity, that some former recipients will not be able to secure work; they will have to somehow find the means to support their families without the benefits of public assistance and without assured public employment. Many may be forced to live below the meager income levels that they had while receiving welfare (Holzer and Danziger, 1998).

Contrary to this position, critics of welfare claim that decreased public benefits will both render welfare less attractive and increase the work efforts of former AFDC recipients (Mead, 1986; Herrnstein and Murray, 1994). This may mean higher standards of living for former recipients as their hours of work and earnings increase. As fewer families receive welfare, fewer children will grow up in a welfare culture (Lewis, 1968), which will hopefully result in a lower need for welfare in the future.

Much of the policy of the welfare system is based on these potentially harmful effects of staying on welfare for an extended period and the potential draw of high welfare benefits to the welfare system. It is believed that the longer one stays on welfare, the poorer the job market outcomes will be for individuals. In part to avoid these negative consequences and aid the long-term prospects of welfare recipients, time limits and lower welfare benefits (based on a non-expanding block grant system) have been imposed.

While considerable research has examined the predictors of exiting AFDC either on a yearly basis (Bane and Ellwood 1994; Ellwood 1986; O'Neill, Bassi, and Wolf 1987; Vartanian 1997) or on a monthly basis (Fitzgerald 1991; Blank 1989), less research has been conducted on how AFDC recipients fare in the job market after they cease receiving AFDC income (Danziger and Lehman, 1996; Harris, 1996; Meyer and Cancian, 1998). Are former recipients able to remain economically independent, and if they are, by what means do they achieve independence? Previous studies have found that approximately 60 percent of former recipients work after welfare, but that more than 40 percent remain poor five years after they leave AFDC (Meyer and Cancian, 1998). Returning to welfare after an initial exit is not uncommon. Ellwood (1986) found that recidivism rates ranged from 34 to more than 40 percent; Harris (1996) found these rates to be 11 percent within the first six months after welfare, 12 percent between months seven and twelve, and 15 percent between months 19 and 24. These returns to welfare were far higher for women who exited AFDC by means other than marriage or work.

Wage rates for former recipients upon exit of AFDC have been shown to be somewhere between \$5 and \$6 per hour (Riccio, Friedlander, and Freedman, 1994). Wage increases have not been found to increase by much over the years after welfare, by \$.45 per year for those women with some college education and by only \$.07 per year for those without a high school degree (Burtless, 1994).

Although some research exists on welfare recipients after they leave welfare, little is known about the types of jobs that former recipients take upon exit. Similarly, little is known about how long they are able to maintain these jobs, the likelihood of getting half-time or full-time jobs that are relatively high paying and would allow economic independence, how much time they spend unemployed or out of the workforce, how much cash assistance they receive after initially leaving welfare, and the predictors of all these outcomes. This paper will begin to address these issues. It will point out familial, personal, and economic circumstances that may hinder financial independence. For example, we examine the effects of having children with emotional and health problems on work and income outcomes. We also examine how quickly finding work and how specific types of work can affect overall well-being after welfare. We look, in part, at the

interactions of marital status, personal earnings, and family earnings of women when they leave welfare as predictors of their financial well-being in periods after welfare. In understanding which former recipients are at risk of doing poorly, as well as which are positioned to do well, we can begin to consider ways to effectively monitor and respond to welfare reforms that require work and impose time limits on recipients.

CONCEPTUAL FRAMEWORK

A general utility maximizing theory based on marginal costs and benefits is used as the conceptual framework for this paper. Relating this theory to women on welfare is a relatively straightforward process. Women receiving welfare must make decisions about whether or not they will continue to receive welfare, find employment, find a partner who works, or do some combination of these. Once they find employment, they must continually make similar decisions to determine whether they will maintain their jobs. Firms who hire former welfare recipients must also make decisions about whether to hire welfare recipients, and if they do, whether or not to keep them within their workforce. These decisions will be based on the marginal productivity of the laborer, which in turn will be determined by her ability to learn the skills of the position and her desire to work. The welfare recipient's decisions on work or welfare will be based, in part, on the following considerations: the generosity of the welfare payment in the state in which she lives, the number and ages of children she must support, any child support payments made by absent fathers, income earned by others in the household, the availability of work for which they are qualified, the wage rate that they are able to obtain, and the costs of work (e.g., transportation, daycare). Some of these outcomes, such as the wage rate and the likelihood of finding work, may be determined, in part, by the former recipient's level of human capital (Becker, 1993).

All else being equal, the benefits of work will be lower in states where welfare income is relatively high compared to states where benefits are low. However, because many recipients feel there is a stigma attached to welfare receipt, the actual value of these payments may be lower than the dollar amount given (Rank and Hirshl 1988). Hence, work, marriage, or cohabitational rates may be higher than expected by simply examining welfare benefits versus earnings potential or the earnings potential of a spouse. Critics of the AFDC system (Murray 1984; Murray and Herrnstein 1994; Glazer 1988) argue that the likelihood of poverty and welfare use increases as welfare benefits increase. They also argue that the likelihood of employment decreases as welfare benefits rise. These negative effects are said to be due to the work disincentive of the AFDC system. Others, such as Schram (1991, 1995), argue that higher welfare benefits may decrease the likelihood of poverty by giving recipients the necessary resources (i.e. money) to help them find work and thereby increase their earnings. It is argued that welfare recipients living in low-paying states may not have the initial resources to find work since they lack extra money once food and other life essentials are purchased. Thus, paying for transportation and day care services to find work may not be feasible for those living in states where welfare payments are relatively low.

The number, ages, and conditions of children may also be ambivalent influences for work/welfare decisions. On the one hand, more children within the household may increase market work by adults in that household since the material needs of the family are greater. On the other hand, nurturing needs may also be higher with many children or with younger children, which may impede market work effort by former recipients. Children with health or emotional problems may need extra parental care, which may decrease market work. These may act as barriers to work and decrease the likelihood of finding and maintaining a job (See Danziger et al., 1998; Kalil et al., 1998).

The availability and stability of jobs and the costs of obtaining and maintaining work will also influence a former recipient's decision about the amount of her market work (Edin and Lein, 1997). Those with greater levels of training and experience in finding employment may have lower costs associated with work, and will therefore be more likely to obtain market work (Friedlander and Burtless, 1995). Living within highly concentrated areas of poverty or areas of high unemployment may increase the costs of finding and

sustaining work and may therefore lead to a greater amount of welfare use and lower amounts of market work (Popkin, Rosenbaum and Meaden, 1993; Wilson 1987). Since unemployment rates are far higher for low-skilled laborers than for higher skilled laborers, these costs may be especially high for the poorly trained. Since many low-skilled jobs have moved out of the largest U.S. cities (Kasarda, 1989) and because a majority of former welfare recipients have a high school diploma or less (Bane and Ellwood, 1994), these conditions may severely hamper the decision to work. Clearly, individuals may have little decision to make if the wages they can earn are relatively low and the costs of work are extraordinarily high. A lack of job contacts within workers' area of residence (due to low labor force participation rates), high transportation costs, or a lack of knowledge of the process of finding work may contribute to the high information costs and to the overall high costs of finding work.

Spending a considerable amount of time on welfare may also increase the costs of finding work. Those who have been on welfare for a relatively long time may have experienced an erosion in their labor and job search skills if they did not work or worked very little while on welfare. They may be less likely to have the skills necessary to find and maintain work than those who have recently been in the labor market. Many studies have found that time on welfare does not hinder the likelihood of exiting the welfare system (Blank 1989; Bane and Ellwood 1994; Vartanian 1997) . Meyers and Cancian (1998), using a sample of 594 former recipients from the National Longitudinal Study who were 28 to 35 years old, did not find that those who had AFDC spells of less than one year had different economic outcomes than those who had longer spell. Its unclear if the effects of total time on welfare, not only time in the last spell, affect economic outcomes.

HYPOTHESES

From this conceptual framework, several hypotheses emerge. The first hypothesis examines the relationship between state welfare payment levels, work, and other economic outcomes. In other words, we will test to determine if there is support for the hypothesis that high welfare benefits increase dependence on the welfare system after a recipient initially leaves welfare. If there is support for this hypothesis, then decreasing benefit levels should also decrease dependence on the welfare system. Conversely, if evidence is found that former recipients in more generous welfare paying states fare better economically than those in less generous states, then maintaining or increasing benefit levels should not cause greater dependence on welfare income and may, in fact, act to diminish dependence on welfare. Past research has been mixed for the hypothesis that state welfare benefit levels decrease the likelihood of leaving welfare once appropriate variables are controlled. Moffitt's (1992) review of the literature on AFDC generally found that benefit levels had negative effects on the likelihood of exiting AFDC. Other research (Bane and Ellwood, 1994; Blank, 1989; Vartanian, 1997) has not found negative effects for benefit levels for the likelihood of exits. If benefit levels do have the effect of decreasing exit likelihoods, then the population from high benefit states may be less likely to enter a post-welfare sample, which may bias our results.

A second hypothesis examines the effects of length of time on welfare to determine if former welfare recipients are hurt in the job market by staying on welfare for relatively long periods of time. In other words, will limiting time on welfare (as the Temporary Assistance for Needy Families (TANF) mandates) increase the likelihood of avoiding poverty after welfare? If time on welfare shows a positive relationship with poverty status (or shows particular relationships with other outcome variables), this may indicate that those who have long welfare spells may be ill prepared for the job market once they exit AFDC. Likewise, time spent not employed after welfare is also examined to determine if relatively long periods of time out of the workforce lead to precipitously lower economic outcomes.

A third hypothesis evaluates the relationship between overall economic conditions and the economic outcomes of former welfare recipients. Unemployment rates will be examined to determine whether former recipients are negatively affected by relatively high unemployment rates. This analysis will indicate to state administrators whether economic conditions have positive or negative effects on work related activities for

former recipients. If these effects are shown to be detrimental and strong, state and federal lawmakers may need to take economic conditions into account before limiting time availability for welfare receipt.

A fourth hypothesis examines factors of human capital, including level of education and work experience, and their effects on economic and labor market outcomes. In this model, it is expected that those women who have greater levels of human education or work training will fare better economically than those with less. If these human capital effects are found to be strong, and since AFDC recipients have been shown to possess little human capital (Bane and Ellwood, 1994; Vartanian, 1997), greater job training may be necessary to improve the economic outcomes of former recipients.

KEY VARIABLES AND DATA

Dependent Variables

The data used for this study come from the 1990-1993 panels of the Survey of Income and Program Participation (SIPP). The SIPP will be used to examine a number of dependent variables, all determined after an initially observed AFDC spell. Generally, these dependent variables are derived from the 12 to 18 month period following the initial exit from the AFDC program. The dependent variables are employment spell exit likelihoods, nonemployment spell exit likelihoods¹, the log of average wage rates, the log of family income relative to the poverty line, the percentage of time on AFDC, the percentage of time below the poverty line, the percentage of time with private health insurance, total transfer income as a percentage of family income, and the percentage of time employed. This extensive list of dependent variables will allow for a fairly complete picture of how former welfare recipients fare economically after leaving the rolls.

The employment and nonemployment spell data will show how long former welfare recipients are either employed or nonemployed after an initial welfare exit. Prior research has shown that former welfare recipients may find work but have trouble maintaining it (Kalil, 1998). This analysis will help identify which factors help keep former recipients working or not working. Two employment spells will be examined: spells where the former recipient works at least 20 hours per week, and spells where the former recipient works at least 35 hours per week. These exit probabilities will only indicate how the families of former recipients do in a first spell of employment and nonemployment, however, not how much total time they spend employed or nonemployed after welfare. To determine how much of their time is spent employed, the percentage of time employed over the 12 to 18 month period is examined.

To determine whether recipients continue to use AFDC, the percentage of time on AFDC is also measured. We also examine the percentage of income after initially exiting AFDC, which is derived from transfer income for the family. These results will indicate whether factors such as state welfare payments and area unemployment rates are associated with time spent on welfare and welfare income after an initial AFDC exit.

Other dependent variables include wage rates and hours of work, which will indicate which training methods and occupations, for example, enable former recipients to earn little or a lot; income relative to the poverty line; and the percentage of time spent below the poverty line. Income relative to the poverty line will indicate the overall economic status of groups but may hide those who spend much of their time below the poverty line. This may be due to high levels of income of some former recipients, which will increase the mean income levels for the group. The percentage of months spent below the poverty line gives a picture of which groups are doing poorly for extended periods of time after welfare. We also examine which groups are likely to have average incomes after AFDC below half the poverty line, below the poverty line, and above 150 percent of the poverty line.

Independent Variables

The key independent variables in the study are drawn from the theory described above or from past research on the AFDC population. Each of the statistical models uses the same general set of independent variables². The first set of these variables are welfare related variables, including the number of months receiving AFDC and the maximum state welfare payment in the years after welfare (O'Neill, Bassi and Wolf, 1987; Blank, 1989; Bane and Ellwood, 1994; Vartanian, 1997). We control for the effects of state median income to get a better reading of the effects of welfare payments on outcomes. We also consider the marital status, personal earnings, and family earnings at the time of exit. We created eight variables to indicate these conditions at exit, examining the different combinations of these three variables. The regression models the former recipients who are married, who have no personal earnings, but have family earnings as the excluded category variable. We believed that these would better capture the economic status of former recipients rather than only examining whether she had married, increased her earnings, or had some other event that may have triggered her exiting state of welfare.

A second set of variables examines the effects of economic conditions, education, work experience, work training and the types of jobs that a recipient may obtain after welfare on work-related and other economic outcomes after welfare. These variables include the monthly state unemployment rate obtained from the Bureau of the Census; a set of dummy variables for occupation of the former recipient taken as their first job after AFDC, with clerical workers as the excluded category; training programs ever undertaken by the former recipients, such as under the Job Training Partnership Act (JTPA), Job Search Assistance, and Basic Skills Training programs; level of education, with high school dropout as the excluded category; and whether the recipient is a part-time or full-time student in school at the end of her welfare spell. We also control for the years of work experience by examining the number of years the former recipient has worked for more than six months of the year. We also include a variable that indicates whether the former recipient finds work within three months of leaving welfare to determine the effect of quickly finding work on outcomes. Most research on AFDC recipients has found that unemployment and education variables play a significant role in determining AFDC status (Blank, 1989; Vartanian, 1997). Others have found that training programs have some effects, though not particularly strong effects, on former welfare recipients (Friedlander and Burtless, 1995).

We use a set of independent variables to indicate the length of time the recipient spent on AFDC in her last spell. The excluded category is for those who spend 3 or fewer months on AFDC. We also include a variable that indicates the total number of months that the recipient has spent on AFDC prior to her last spell. This is measured as a continuous variable. In results that we do not present, we also combined these two variables to examine whether total time on AFDC affects outcomes. Our results indicated that few differences existed between the two specifications.

Personal variables, such as age, race, number of children, the number of children under the age of 6, the relationship of the former recipient to the head of household, and additional children in the household, are also controlled in the models. Again, many of these variables have been shown to affect AFDC spell length and exit type and may affect economic outcomes after welfare. Including these variables within the models will give a clearer picture of which recipients do well economically after welfare and which do not. We also include variables that examine the condition of children in the household and whether they are receiving any type of therapy for developmental needs, have health limitations, are having difficulty in school, or are in special educational classes. These factors may require parents to spend additional time with children and may make it more difficult to find and maintain work. Housing status is controlled in the models by examining whether the former recipients are living in either public housing or subsidized housing at the end of their welfare spell.

Most of the values for the variables are determined over the course of time after welfare. For example, the number of children in the family is determined by averaging the number of children for each month over the 12 or 18 month period. The maximum welfare payment and unemployment rate of the state in which they reside are also determined by averaging these levels over the course of the time after welfare.

Age, relationship to the head of household, the types of housing that former recipients live in (public or subsidized housing), and race, on the other hand, are determined at the beginning of the period after welfare.

For the employment/nonemployment models, we use several variables not used in the analyses described above. For example, we examine the current wage rate of the former recipient as well as whether her employer provides health insurance in the employment models. We also examine the level of earnings of other family members in all three of the models. Almost all variable values are determined at each month of the spell. Age, race, and all variables determined at the end of the welfare spell are determined at the beginning of the employment/nonemployment spell.

Data

The SIPP used for this article is a series of longitudinal data sets that spans the years 1989 to 1995 from the 1990-1993 SIPP panels. The SIPP is a national longitudinal survey from the Bureau of the Census containing monthly demographic and economic information on a cross-section of households. Persons in the sample are interviewed every four months over a 32 to 40 month period. The sample is representative of the U.S. population when weights are used.

Most of the data for this paper comes from either the longitudinal or core samples for each of the panels. For some of the variables, such as previous time on AFDC and job training, we gather information from the topical modules for the SIPP. Thus, the training variables are only measured once, and inform us of whether the former recipient has ever received job training. We linked other data onto the SIPP data, including monthly state unemployment rates and yearly maximum welfare payments for a family of four.

From the SIPP data set, a subsample of women was selected for this study that had spells on AFDC. These spells were determined by examining women who received AFDC income for any month. Those who continue to receive AFDC income will add another month to their spell. Spells end when the woman no longer receives AFDC income for a three-month period. We chose a three-month period off of AFDC to avoid short administrative interruption of time on AFDC. Only first spells were used in the analysis, or information after the initially observed spell, so as to maintain independence of the observations.

In the four SIPP panels we examined, there were a total of 1,473 initial spell endings. Of these, 973 AFDC recipients finished a welfare spell with at least one year left in the sampling period. There were 688 women who completed their first observed welfare spell with at least 18 months left in the sampling period. Because the SIPP accounts for when recipients first started receiving AFDC, none of the cases were left censored.

For the nonemployment and employment spells, each month either unemployed/out of the labor force or employed, respectively, is used as a separate observation. In this way, information from each month of the spell could be determined. For the employment spell models, two separate models were examined: one where the former recipient worked at least 20 hours per week and a second where the recipient worked at least 35 hours per week. A spell exit was defined as when the recipient worked fewer than 20 or 35 hours per week. There were a total of 6,158 person-months for the 35 hour per week exit likelihoods, and 8,968 person-months for the 20 hour per week exit likelihoods. There were 695 spells and 375 exits from the 35 hour per week employment model and 862 spells and 387 exits from the 20 hour per week model. For nonemployment spells, a total of 10,013 person-months were used in the analysis. There were 1028 spells and 438 exits for the nonemployment analyses. For these exit likelihoods, no time minimum after welfare receipt is imposed. Also, only initial cases of employment or nonemployment are examined to maintain independence of the observations within the models³. All cases are followed until they either become nonemployed or employed (depending on the model) or they are censored in some way. Censoring may occur because the sample member became a nonrespondent or because the sampling period ended. Even if the sample members are censored, information can still be drawn from their cases since employment information and exit status are known for observed periods.

We found that our samples of former AFDC recipients were quite similar in many respects to what the AFDC population looked like at a given point in time. This makes sense because the sample does not contain left-censored cases, and thus many types of recipients are ending their spells in the sampling frame that we use. To examine this issue, we looked at a number of different points in time during the SIPP sampling period to determine the percentage of sample members who receive AFDC with particular conditions. We found that roughly 7 to 9 percent of those sample members who received AFDC had an elementary level of education, 27 to 30 percent were high school dropouts, 39 to 43 percent had a high school degree, 17 to 20 percent had some college experience, 2.1 to 3.1 percent had a college degree, 39-42 percent were black, and 49 to 55 percent were white. These percentages are quite close to the sample proportions for the after welfare sample that we have derived for the study.

METHODOLOGY

The dependent variables in the study fall into three categories, and are examined using three types of analyses. In the first set of models, monthly employment data are used within a hazard regression model to determine the likelihood of either leaving a state of nonemployment or leaving a state of employment. A hazard rate equation (see Blank, 1989) is used to examine the likelihood of exit from an employment or nonemployment spell. $F^*(t, X_t)$ is the cumulative distribution function, which measures the probability that a spell of employment or nonemployment, depending on the model being examined, ends before time t , where X_t is a vector of independent time-varying variables. The survival function at time t is: $F(t, X_t) = 1 - F^*$, and the density function is: $f(t, X_t)$. The hazard rate is defined as the instantaneous rate of exiting welfare at time $T=t$ conditional upon receiving welfare up to time t :

$$h(t, X_t) = \lim_{dt \rightarrow 0} \frac{P(t|t \leq T \leq t + dt | T \geq t, X_t)}{dt}$$

The likelihood that any individual will have an employment or nonemployment spell lasting from time 0 to t is $f(t, X_t)$. For those whose spell is right censored, the addition to the likelihood function is $F(T, X_t)$.

The second set of models examines wage and income variables, including the log of average wage rates, the log of hours of work, and the log of personal earnings. Because nearly 35 percent of former recipients do not work during the 12 to 18 month period after welfare, a two stage selection model is used to determine the effects of independent variables on the dependent variables (Heckman, 1979). The wage, hours of work, and personal earnings models determine coefficients for the average value of these dependent variables over the twelve to eighteen month period following welfare, with appropriate corrections for standard errors from the first model. Ordinary least squares models are also estimated for the log of the average income relative to the poverty line over the twelve to eighteen month period.

The third set of models uses tobit equations to examine the percentage of time spent in particular states or the percentage of income derived from particular sources. The dependent variables in these models are the percentage of time that former recipients use AFDC, are employed, and are below the poverty line, and the percentage of income from transfers over the twelve to eighteen month period following AFDC. Tobit models are used because of censoring and truncation within the data (McDonald and Moffitt, 1980). For example, many of the AFDC recipients receive no AFDC income after their initially observed spell on AFDC, and therefore many have values of zero for the percentage of time on welfare. Also, some former recipients are poor for the entire period after welfare, but by definition the percentage of time below the poverty line is not allowed to go above 100 percent. The tobit model is able to allow for these truncations. The tobit model takes the following form:

$$y_i = X_i \mathbf{b} + \mathbf{m} \quad \text{if } X_i \mathbf{b} > 0$$

$$y_i = 0 \quad \text{if } X_i \mathbf{b} + \mathbf{m} \leq 0$$

A fourth set of models use logistic regression analysis to determine the effects of independent variables on the likelihood of average income after welfare being at or below half the poverty line, below the poverty line, and above 150% of the poverty line. These models will complement the average family income-to-needs models by indicating which groups are likely to have extraordinarily low or relatively high levels of income. These regressions are again used in order to get a more complete picture of which recipients fare better or worse after welfare.

RESULTS

Descriptive Statistics

Table 1 gives a first look at the percentage of cases with particular conditions at different time periods after initially exiting welfare. (The means and standard deviations of all of the variables are given in the appendix, Table A1.) These time periods are for the first month after exiting AFDC, then at 6 months, 12 months, and 18 months following the initial exit from AFDC. The first part of the table indicates the percentage of former AFDC recipients with particular levels of income at the different time periods after AFDC. Table 1 indicates that more than one-quarter (27.3%) of the cases and almost one-third (32.9%) of the cases have income at less than half the poverty line, and above half the poverty line but below the poverty line, respectively, in the first month after AFDC. By month 18 after AFDC, over 24 percent of the cases are still below half the poverty line while 26 percent of the cases are between half the poverty line and the poverty line. In other words, 18 months after AFDC, more than 50 percent of the AFDC cases are still below the poverty line, with roughly half of these below half the poverty line. These results are similar to Meyer and Cancian (1998) who found that 55.5 percent of former recipients were below the poverty line in year 1 after welfare and 49.8 percent were below the poverty line in year 2 after welfare.

We then break down personal income by hours of work and wages. At least half of former AFDC recipients do not work in any one of the periods examined following an AFDC exit. This percentage is highest right after exit, dips slightly, then rises again by month 18. Fewer than 8 percent of former recipients work between 1 and 20 hours per week in any of the periods examined, while roughly 9 to 10 percent work between 20 and 34 hours. Almost one-third of former recipients work full time, or 35 or more hours per week. This figure increases slightly from the first month after welfare to months 6 and beyond. Table A.1 indicates that the average number of hours of work per week after welfare is 17 hours for all former recipients, and more than 26 hours for those who work any hours.

The wage breakdowns indicate that most former recipients earn between \$5 and \$8 per hour in any month after AFDC. However, the percentage earning under \$5 per hour decreases from over 20 percent in the first month to only 12 percent by month 18. The number of former recipients earning over \$11 per hour more than doubles from months 1 to months 18, going from 5 percent to over 11 percent. Table A.1 indicates that the average wage for those who work is \$6.76. Median wages for those who work after welfare are \$6.08.

We also examined the likelihoods of working either 20 or more or 35 or more hours per week at a wage of \$8 or higher at different periods after welfare. Edin and Lein note that making at least \$8 an hour is necessary for a single mother with children to maintain work and family. We find that few former recipients meet these criteria or the lower criteria of working 20 or more hours at \$8 or more per hour. Table 2 shows that only 7 percent of former recipients work 20 or more hours at \$8 or more per hour and around 6 percent get paid this wage at 35 or more hours per hour. While there is a slight increase in these percentages over time after welfare, only 11 percent and 9 percent meet the 20 and 35 hour work minimums of \$8 per hour or more by month 18.

We also found that from months 1 to months 18 after welfare, an increasing proportion of former recipients are married following AFDC. While roughly one-fifth of the former recipients are married in month 1 after welfare, nearly a third are married by month 18. The proportion of former recipients with private

health insurance roughly follows the proportion of former recipients who are married through time. While the proportion of former recipients with private health insurance increases through time for both married and non-married former recipients, the percentage point increase from months 1 to months 18 is nearly double for those who are married (14.6 percentage point increase) compared to those who are not married (7.2 percentage point increase).

Roughly 20 percent of family income is derived through transfer payments after AFDC, while between 14 and 19 percent are back to receiving AFDC in months 6 through 18 after welfare. Child support is received by around 15 percent of the cases in each of the periods examined.

MULTIVARIATE MODELS

Overall Income Models

We first examine the factors that affect the overall economic conditions of former AFDC recipients. In Table 2, the results for the logistic regression analyses for the likelihood of having average family income-to-needs below 0.5 (below half the poverty line), 1 (the poverty line), and 1.5 (150% of the poverty line) in the 18 month period after AFDC exit⁴. Table 3 presents the OLS regression for the log of family income-to-needs and the tobit model for the percentage of time in poverty. Probability estimates are presented in table 2, while coefficient estimates are presented in table 3.⁵ The results in Table 2 indicate that 16.4 percent of former recipients have average incomes below half the poverty line for the 18 month period following AFDC.

Around half the recipients have average income below the poverty line and around one-quarter have average income at or above 150 percent of the poverty line in the 18 month period. Table 4 indicates that average family income-to-needs in the 18 month period after welfare averages 1.19, while 52.1 percent of months were spent below the poverty line.

Family Relationships

Factors that highly affect this likelihood include whether the former recipient is a child or has another-relationship to the head of household. Those who are children in the household have around a .6 percent likelihood and those who have another-relationship to the head of household have a 36.2 percent likelihood of being below half the poverty line. Being a child also has dramatic effects on poverty likelihoods, being at or above 150 percent of the poverty line, family income-to-needs, and the percentage of time below the poverty line.

Marital and Earnings Status at AFDC Exit

There is a wide disparity of outcomes for those in the different exit groups examined. Generally speaking, when the former recipient is the primary earner in the family, economic outcomes are worse than in other situations. This is true for married and nonmarried recipients. Those in the group that are married and who do not work, but have others in the family that do work, have only a 2.6 percent likelihood of being below half the poverty line. This compares to a 27.2 percent likelihood for those who are not married and are the primary earner in the family at the end of the AFDC spell. The likelihood of being below the poverty line and above 150 percent of the poverty line are also generally better for those in the married, no earnings but family earnings group relative to those in other groups. Table 2 indicates that the worst off group is that group that is not married and where the former recipient is the primary earner in the family. This group has a 63.5 percent likelihood of being below the poverty line for the 18 month period after welfare. This compares to a 31 percent likelihood for those in the married, have no personal earnings, but have positive family earnings. Those in the married group where the former recipient is the primary earner have a 61.2 percent likelihood of being below the poverty line for the 18 month period after welfare.

In Table 3, we see that whenever family earnings do not exceed the personal earnings of the former recipient, outcomes are almost equally as bad relative to those where the former recipient is not the primary earner in the family. These hold for family income-to-needs and for the percentage of time living below the

poverty line, both for the 18 month period after welfare. Those where the earnings of others in the family do not exceed those of the former recipient spend anywhere from 41 percent to 48 percent more time living below the poverty line than those in other family situations.

Occupations After Welfare

The types of jobs that former recipients obtain after welfare and the timing of those jobs greatly influence their economic well-being after welfare. Those who do not find work within the first three months after welfare have a 30.8 percent likelihood of being below half the poverty line, a 62.5 percent likelihood of being below the poverty line, and a 17.5 percent likelihood of being above 150 percent of the poverty line. Those who find no work in the first 18 months after welfare are also significantly and strongly affected in their probabilities of being very poor, poor, and not having relatively high income. Surprisingly, those who take jobs in occupations such as sales, service, and as maids fare almost as poorly in their likelihood of being below half the poverty line as those who take no jobs. In Table 3, the results indicate that those who take jobs as maids or in other occupations do especially poorly, while those in services, laborers, and health service workers have incomes lower and time in poverty higher than those in clerical positions. Those women who are in clerical occupations appear to do the best of each of the occupations examined⁶. Women in clerical positions have only a 8.5 percent likelihood of having income below half the poverty line, a 35.1 percent likelihood of being below the poverty line, and a 40.7 percent likelihood of being above 150 percent of the poverty line. Clearly, the type of work taken after welfare and the ability to obtain these types of jobs has dramatic effects on overall economic well-being.

State Variables

Other important variables within the model include the state unemployment and the median level of state income. Living in high unemployment areas has negative effects on the likelihood of being above 150 percent of the poverty line and positive effects on the likelihood of being below the poverty line. The effects of the unemployment rate are in the predicted direction for income-to-needs and time in poverty as well. Living in states with relatively high income levels had negative effects on the likelihood of having income below the poverty line and positive effects on the likelihood of having income above 150 percent of the poverty line. Living in states with a relatively generous welfare payments increased the likelihood of being above 150 percent of the poverty line and the percentage of time in poverty. However, these differences were likely due to unobserved differences across states with different welfare payment levels. We also tested models with fixed state effects and found that the coefficient estimates for state welfare payments were insignificant in these models.

Education and Training

Job training received has virtually no effect on the poverty likelihoods. Only those who receive job search assistance are less likely than average to be below half the poverty line and more likely than average to be above 150 percent of the poverty line. When a variable for whether the former recipient received any training was used in the regressions as a replacement for all the other training variables, no significant effects were found for any of the models.

Level of schooling achieved had no effect on whether the former recipient was below half the poverty line but affected both the likelihood of being below poverty and above 150 percent of poverty. Schooling also strongly affects income and time below the poverty line. The percentage of time that former recipients were full-time students had strong negative effects in all of the models in Table 2, as well as time in poverty in table 3. However, being a full-time student would make it difficult for a former recipient to hold a full-time job. We cannot estimate the effects of current school enrollment status on long-term income and poverty status.

Housing

We also examined the effects of where former recipients live at the end of their welfare spell. We found that those living in low-rent/subsidized housing or in public housing are more likely to have lower levels of income than those in other areas. These results are seen in both Tables 2 and 3. This may simply indicate that those living in those types of housing may be extremely poor to start and stay that way. It appears that these groups are quite income vulnerable.

Time on Welfare

Our analysis of the effects of time on welfare did not indicate differences between those who were on AFDC a relatively long time and those who exited AFDC quickly in their likelihood of being below half or below the poverty line. However, differences did appear between those spending long and short periods of time on welfare in the likelihood of being at or above 150 percent of the poverty. Those who left welfare within the first three months of their AFDC spell had a 33.4 percent likelihood of being at or above 150 percent of the poverty line while those spending 96 or more months on AFDC had a 15.5 percent likelihood of being above this income level. This estimated relationship may be due either to the effects of being on welfare or to unobserved differences between those who leave AFDC quickly and those who remain on the program for longer periods.

Children and Child Problems

Only one of the emotional, physical, and school related problems of children of former recipients had a negative effect on income after welfare. Women with children who were having difficulty in school had only a 5.5 percent likelihood of being above 150 percent of the poverty line. It is unclear if the direction of causation runs from low income to school difficulties or from school difficulties to low income. Those who had children in special education classes had a higher likelihood of being at or above 150 percent of the poverty line. The number of children in the household both increased the likelihood of poverty and decreased the likelihood of having income at or above 150 percent of the poverty line. The number of children also positively affected the amount of time families spent below the poverty line. However, the results also indicate that having more children after exiting AFDC, or having children under the age of 6, did not affect income outcomes.

Regressions for Work-Related Dependent Variables

The second set of regressions examines work-related dependent variables such as wages, hours of work, and earnings. We also examine the percentage of time working after welfare and the likelihood of having private health insurance. In the second part of this section, we examine the likelihood of exiting either a state of employment or nonemployment. For the employment exit likelihoods, we examine two models: one for those who work continuous periods of 35 hours per week and another for those who work continuous periods of 20 hours per week.

Children and Child Problems

These results indicate that the number of children in the family has no effects on any of the work variables. However, when there is an increase in the number of children from the time of ending welfare, there are negative effects on wages, hours of work, earnings, and the percentage of time working. Childhood problems did not affect work outcomes, although those with children having difficulty in school had less private health care coverage than those without such children.

Type of AFDC Exit

Many of the exit groups fare better in their hourly wage rates, hours, earnings, and time working than the group who—at the time of their exit—are married, have no personal earnings, and have positive family earnings. For example, those who are not married and are the primary earners in their family have wages that are roughly 30 percent higher, hours of work that are 56 percent higher, earnings that are 86 percent higher,

and work 58 percent more than those who are married and whose husbands have positive earnings. This is not too surprising, since this simply implies that former recipients' labor force involvement over the first 18 months following their welfare exit closely tracks their labor force involvement at the time of their exit. Somewhat surprisingly, none of the groups differed in their likelihood of having private health insurance.

Occupation

There appears to be a great variety of wages (at former recipients' first jobs after leaving AFDC) for those in different occupations after AFDC. Those in technical fields earn more than those in clerical positions, while those in service, personal service, and health services, who are maids, and who have no job in the first three months after welfare have substantially lower wages. Many of these same occupations also have negative effects on hours of work, earnings, and the percentage of time with private health insurance. Those in sales, service, or personal services, for example, are only around half as likely to have private health insurance relative to clerical workers, while those in other or no occupations have an even lower likelihood of having private health insurance. Clearly, the type of occupation taken after welfare, or the positions that former recipients are trained for, affects these work/health care outcomes. Overall, those in clerical and technical positions tend to do better than all others.

State Variables

State unemployment rates affect hours of work by former recipients during the first 18 months after leaving AFDC, decreasing hours of work by around 9 percent for each percentage increase in the state unemployment rate. State welfare payments have positive effects on wages and the percentage of time with private health insurance coverage. State median income levels have positive effects on wages, earnings, the percentage of time worked, and the percentage of time with private health insurance.

Education and Training

Quite surprisingly, educational variables have no effect on wages, earnings, and hours of work. Those with educations at or above high school graduate have a greater period of time with private health insurance. Those who are full-time students work far fewer hours and have far lower earnings than those not in school.

Unlike the poverty and income models examined in Tables 2 and 3, training programs do appear to have some effect on these work outcomes. However, most of these outcomes are not strongly significant—many of these significance levels are at the .10 level and a few are at the .05 level. Those receiving job search assistance, especially, have substantially higher wages, earnings, spend more time working, and are privately insured more than those who have not received this training. Those receiving on-the-job-training also have higher wages than those not receiving training. Overall, the effects for these variables show some signs of helping former recipients in the job market, but overall have relatively small effects. For some of these variables, the outcomes are the opposite of what would be expected. For example, those in job training through community college and in job training apprenticeship programs work a smaller percentage of the time after welfare than do those who do not receive this training.

Housing

We again find that living in public housing and in low-rent housing at the end of the AFDC spell has negative effects on some outcomes. Like the training coefficients, however, the significance levels for the coefficients is not strong. Here, those living in subsidized housing work fewer hours and have less time with private health insurance. Those who have always lived in public housing (.005 percent of cases) have lower earnings than those who have not.

Time on Welfare

Time on welfare did not show any signs of significance in the models. These results indicate that time spent on AFDC does not have detrimental affects on work outcomes.

Work and Non-Work Exit Likelihoods

We further investigate the effects of the independent variables on the likelihood of ending either of two kinds of employment spells or a nonemployment spell. We defined work in two ways: those who work at least 20 hours per week, and those who work at least 35 hours per week⁷. Nonemployment spells were defined as simply working zero hours per week. In other words, nonemployment spells end when working at least one hour per week. Only initial employment or nonemployment spells were examined to maintain the independence of observations. Note that all sample members exiting AFDC are included in these hazard rate regressions, not only those who exited AFDC 12 or 18 months before the panel ended. Table 5 shows the survival likelihoods in the particular state for 6 and 18 month periods for significant coefficient estimates. Appendix table A.3 shows the hazard regression results for the likelihood of exiting particular states of employment or nonemployment.

The overall survival likelihoods for the nonemployment model indicates that around 70 percent of former recipients are unemployed for 6 continuous months in their first unemployment spell, while nearly 66 percent stay unemployed through 18 months. For those who are working at least 20 hours per week, the likelihood of staying employed for at least 20 hours per week is nearly 76 percent for the first six months once finding work after exiting AFDC, and nearly 69 percent for 18 months. The likelihood of continuing to work at least 35 hours per week for 6 continuous months is 68 percent, while this survival probability declines to 60 percent for 18 months. Overall, former recipients are likely to stay employed once they become employed, but are also likely to stay unemployed if they are nonemployed. Change between employed and nonemployed states is less common than staying in the same state over time.

Children and Child Problems

The presence of children under the age of six in the family, as well as having additional children in the family, have more dramatic effects on the work outcomes presented in Table 5 than in many of the previous tables. For example, having more than two children under the age of six increases the likelihood of staying unemployed for 18 months to 74 percent from 62 percent (among those who have no children under the age of six). This likelihood is 67 percent for those with a single child under the age of six. Having additional children in the household since leaving AFDC also increases the likelihood of staying unemployed for 18 months to 76 percent and decreases the likelihood of staying employed for 20 hours per week for 18 consecutive months to 59 percent from an overall average of 69 percent. Mothers with children who are having difficulties in school or with children who have health problems are more likely to stay unemployed for a relatively long period of time. The path of causation between childhood problems and exit likelihoods is unclear.

Occupation

A former recipients=initial occupation after leaving AFDC has a smaller effect on these employment/nonemployment spells than on many of the other models presented previously. Here, we only find that the only difference is between those with service sector jobs and those with clerical positions in the likelihood of staying employed for 35 consecutive months. Those who take jobs in the service sector have only a 50 percent likelihood of staying employed for 18 consecutive months, while those in clerical positions have a 63 percent likelihood of 18 consecutive months of employment.

Wages and Health Insurance

The effects of whether former recipients have employer-provided health insurance in their initial jobs after welfare on the likelihood of maintaining employment in both the 20 hour and 35 hour models are quite strong. In the 35 hour per week model, those with employer provided health insurance had a 77 percent

likelihood of maintaining employment for 18 consecutive months. In the 20 hour per week model, there was an 85 percent likelihood of maintaining employment for 18 consecutive weeks when the individual had employer provided health insurance. These rates of survival compare to rates of 53 percent and 64 percent for those without employer provided health insurance in the 35 hour and 20 hour per week models, respectively.

The wage level of the recipient had fairly strong positive effects on the likelihood of maintaining employment in the 35 hour and 20 hour per week models. Going from a \$5 per hour job to one that pays \$15 per hour increases the likelihood of continuous employment for 18 months from 57 percent to 76 percent in the 35 hour model, and from 65 percent to 83 percent in the 20 hour model.

Type of Exit

Among former recipients with the longest full-time (35 hour) work spells are those who ended their AFDC spell with family earnings greater than their personal earnings. These two groups, the married and the not married (groups 3 and 7), have a 65 percent to a 66 percent likelihood of surviving in this type of work for 18 months. These results may be due, in part, to the income (and other) support these women receive from spouses and other family members.

In the nonemployment model, we again see that this group of nonmarried, who are not the primary earners in the family, fare best in their likelihood of escaping non-employment. This group (group 7) has only a 23 percent likelihood of staying unemployed for 18 consecutive months, compare to a probability of somewhere between 57 percent and 73 percent for those in the other groups.

State Variables

The only state level variable to have effects on these employment/nonemployment spell outcomes is the unemployment rate, which has negative effects on the likelihood of exiting nonemployment. Table 5 shows that the effects of unemployment are fairly dramatic. Those living in states with a five percent unemployment rate have a 63 percent likelihood of surviving nonemployment for 18 months, while this figure is 73 percent for a ten percent unemployment rate. State conditions appear to have no effect once former recipients are able to obtain work. In none of the models does level of welfare payment in the state affect the likelihood of either staying unemployed or leaving a state of employment.

Schooling and Job Training

Former recipients' level of education plays a relatively large role in exit likelihoods for both the employment and nonemployment models. High school graduates and those with some college education have significantly higher survival rates in work and lower survival rates in nonwork than high school dropouts. For example, those with some college education have a 73 percent likelihood of maintaining 35 hours of work for 18 months, while this rate is 46 percent for high school dropouts. These differences are somewhat less in the nonemployment model, where those with some college education have a 61 percent likelihood of survival through 18 months and high school dropouts have a 71 percent likelihood. Those with high school degrees have survival likelihoods that are between those of high school dropouts and those with some college education.

The effects of job training are greater in these models than in previous models. However, not all of these effects are in the predicted direction. For example, the number of weeks of job training have negative effects on the work survival. For example, those with 50 weeks of job training have a 50 percent likelihood of surviving 18 continuous months of 35 hour per week work while those with zero hours of job training have a 62 percent likelihood of survival. Other negative influences on continuous work, mostly for the 35 hour per week model, include job training received at community college and job training through work experience. The only positive effects on work were found for job training through business, commercial, and vocational training for the 35 hour model.

In the 20 hour model, we found that who pays for the training makes a difference in survival likelihoods. Both government and someone else paid training had positive effects in the 20 hour model. We then thought that perhaps these positive effects were taking away the effects of the training program effects, and ran models excluding the source of payment for the training programs. The exclusion of these variables had little effect, other than to make job training search assistance significant at the .10 level, with a negative coefficient, and the JTPA coefficient significant at the .05 level, with a positive coefficient. We found little change in the 35 hour model and the unemployment model.

Time on Welfare and Time Between Spell Ending and Work/Nonwork

None of the time on welfare variables showed significant effects on exit likelihoods for the work/nonwork models. Staying on welfare for a long time did nothing to affect work likelihoods. Only in the 20 hour model did previous time on welfare affect outcomes. Those who had received welfare for an extensive period previous to their last spell had somewhat lower likelihoods of surviving 20 hour per week employment.

The number of months between exiting AFDC and first starting work of 20 or more hours has negative effects on the likelihood of survival in the 20 hour per week model. For those who start work right after exiting AFDC, there is a 71 percent likelihood of continuing work through 18 months, while for those who wait 12 months, this likelihood decreases to 61 percent. For those who are not working right after ending AFDC, the likelihood of staying nonemployed for 18 months is 68 percent while for those who are employed for 12 months then become nonemployed, this survival likelihood is reduced to 64 percent.

Factors Affecting Time on AFDC and Transfer Income

Our final models examined the percentage of time receiving AFDC income after initially exiting AFDC and transfer income as a percentage of total income. Each of these are measured over the 18 month period following AFDC exit.

Children and Child Problems

The effect of having more children after welfare than at the end of the welfare spell has positive effects on both the percentage of time receiving AFDC and the amount of transfer income relative to total income. Those who have more children after welfare receive AFDC for an additional 16 percent of their time relative to those who do not have an additional child. They also have an additional 7 percent of their income coming from transfer payments. The total number of children has a positive effect on time on AFDC but has no effect on transfer income relative to total income. None of the child problems examined had any effects on either of the dependent variables.

Occupation

Few differences were found among women taking particular types of jobs. In fact, in the AFDC model, no differences were found between those who did not work the entire 18 month period and those who took clerical positions. In the transfer income as a percentage of total income, those who had no job for the entire 18 month period had transfer income to total income that was 20 percent higher than those in clerical positions. In models that examined the 12 month period after welfare, not presented here, the effects of not working in the entire period were strongly positive in the percentage of time receiving AFDC. Those who did not work increased their time receiving AFDC by 26 percent relative to those in clerical positions. There was no effect, however, for those who did not work in the first three months after welfare.

Type of Exit

While those who are not married and are the primary earners in their family have higher likelihoods of work than many of the other groups examined, they also tend to spend a greater amount of their post-welfare period receiving AFDC and a greater proportion of their income comes from transfer payments than some of

the other groups. This is the only nonmarried group, however, that tends to spend more time on AFDC than those in the married, no earnings, and positive family earnings group. Many of the other groups have a greater proportion of their income coming from transfer payments than the excluded group.

State Variables

None of the state variables showed signs of affecting either time spent on AFDC or transfer income relative to total income. It appears that welfare availability within states does not draw former recipients to receive additional time on welfare or cause their income to be made up of more transfer income.

Education and Training

Level of education has little effect on time on AFDC after welfare. In the transfer income model, those with high school degrees and those with some college education have lower percentages of income from transfer income than do high school dropouts.

We again find that job training programs have little effect on these dependent variables. Only job training through work experience has negative effects and job training through community college has positive effects on these two dependent variables. Again, we excluded who paid for the training as well as only included a single variable for whether or not training was provided, but found little difference in these models from the ones presented in Table 6.

Time on Welfare

The number of months on welfare in the last AFDC spell does not affect either time on welfare after exit or transfer income as a percentage of total income. Months on welfare previous to the last spell, however, does affect time receiving AFDC. For each additional month on welfare previous to the last spell, time on welfare increases by .2 percent. Thus, if someone had been on welfare for four years previous to their last spell, they would spend an additional 9.6 percent more time on AFDC relative to those who had spent any previous time on welfare. In other words, these effects are not extraordinarily large.

CONCLUSION

The results of this research indicate that a number of key policy-related variables show signs of affecting economic outcomes among women who have recently exited the welfare system. We did not find, however, that either time spent receiving welfare or relatively high welfare payments within states negatively influence these economic outcomes. Living in states with relatively high AFDC payment neither increases transfer income as a percentage of total income after initially leaving welfare, nor does it increase subsequent time spent on AFDC. Living in more generous states, however, is positively related to former welfare recipients' family income-to-needs ratio and negatively related to time spent below the poverty line (in the models without state fixed effects). Part of this higher standard of living is likely to be due to better paying job opportunities within more generous states or other services provided to former recipients within those states. These results do suggest, however, that increased benefits and services within generous states do not appear to be creating incentives to spend more time on welfare among women who exit the welfare system. If higher welfare payments do not create incentives to use the welfare system or to decrease work, it can be argued that payment levels should be at rates that help recipients be less prone to severe poverty should they lose work and be forced back onto welfare⁸.

We found that the economic conditions within areas that former recipients live influence their employment and income during the period immediately following their exits from leave welfare. Living in states with high unemployment rates leads to lower levels of economic independence. For example, those living in states with a 10 percent unemployment rate have a 73 percent likelihood of remaining nonemployed for six months once not working; those in states with a 5 percent unemployment rate have a 68 percent likelihood of remaining nonemployed for 6 months. These results indicate that former recipients are severely affected by economic conditions; policymakers should take area economic factors into account when

determining time limits for welfare receipt. While we currently live in good economic times, the effects of a faltering economy on former welfare recipients may be harsh.

The results also point to the need to assist women in families where they are the primary earner at the end of their welfare spell. These women generally did far worse economically than women who lived with others who helped earn household income. This was true both for women who were married and for women who were not. We found that women who have no earnings support from other members of the family or who are the primary earners of the family at the end of their spell on welfare have income-to-needs ratio that are roughly 47 to 60 percent less and spend 41 to 48 percent more time living below the poverty line than other women in the period after welfare.

Factors such as former recipients' educational attainment and ability to get a job soon after exiting welfare are key predictors in determining their economic independence. However, previous work experience did not have positive effects on economic outcomes in any of our models. Those who did not get jobs within the first three months after leaving welfare generally did economically worse than those who quickly obtained employment in each of the models examined. Those who obtained clerical positions, the most common type of job for former recipients, spent less of their post-welfare life living below the poverty line compared to those who did not get jobs and those in many other occupations. These results may be due to motivational differences between former recipients, but may also be due to the lack of human capital of some former recipients. Increasing job skills for those with little human capital could increase economic independence of those former recipients who now struggle to stay off welfare. However, the results did not point to job training programs as much help to recipients once they leave AFDC. In fact, some of the job training received, such as training in community colleges or through apprenticeship programs, proved to have detrimental effects on outcomes. Some training, such as job search assistance, did increase wage rates, hours of work, time working, and the likelihood of having health insurance in the period after welfare.

Part of the reason for the different levels of economic independence of former recipients seems also to lie in their personal situations. Not being married, having more children after welfare, having young children, or having a large number of children is associated with decreased income relative to the poverty line, increased time below the poverty line, increased time on AFDC, and an increased proportion of income coming from transfer payments. This is likely to be partly due to the increased amount of time necessary for caring for very young children or a large number of children—and thus less time available for labor market activities, especially for those who are not married.

In order to increase the chances that former recipients are standing on firmer economic ground, strategies should be devised that account for both personal as well as work related factors. Ignoring either of these factors will mean that more women will slip through the social safety net after they leave welfare. Work-related factors that need to be considered include wage rates that recipients receive and area employment situations. The results from this study indicate that higher wages help former recipients work for a greater number of continuous months, both in the part-time and full-time models. However, nearly 70 percent of former recipients earn less than \$8 per hour while only 11 percent earn over \$11 per hour 18 months after leaving welfare. If former recipients earned \$10 per hour rather than the current median of just over \$6 per hour, this would substantially increase the likelihood that recipients would maintain at least part-time work. Increasing the Earned Income Tax Credit (EITC) or providing wage subsidies would likely improve this situation. Also, work-provided health insurance appears to be a means for former recipients to keep work, both part-time and full-time work, for extended periods of time. Allowing recipients greater access to health insurance may help them maintain work.

As current welfare recipients are forced off of welfare by the effects of strict work rules and time limits, more former recipients are likely to have special needs. In the past, many women in these types of situations would have stayed on welfare. Providing a system where former recipients can work half time and still earn enough to be above the poverty line, as Ellwood (1988) proposed, would allow recipients to work and still have the time to adequately nurture their children. Since the effects of higher welfare payments are shown here not to have the drastic disincentive effects that many fear, and because no evidence was found

for the negative effects of time spent receiving welfare, allowing women additional time to receive AFDC beyond the five year limit would increase their financial stability.

We are then left with the empirical question of whether former welfare recipients will respond differently in the new welfare system or not? If these factors that predict the economic well-being of former welfare recipients hold in the new system, then large numbers of former recipients will fare very poorly in the new system. Very few former recipients work enough hours and earn wages high enough to support a family. However, if recipients are able to somehow find work that pays higher wages and are able to work more hours, a seemingly unlikely scenario given their overall poor training and their child care needs, then outcomes will be somewhat better than predicted here.

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Table 1
Conditions of Former AFDC Recipients in Periods After Initially Exiting AFDC, in Percentages

	1 st Month After AFDC	6 Months After AFDC	12 Months After AFDC	18 Months After AFDC
Income Relative to the Poverty Line				
Less than Half the Poverty Line	27.3	28.4	26.4	24.1
Between Half but Below Poverty	32.9	28.2	28.0	26.3
At or Above Poverty but Less than 1.5 times the Poverty Line	18.3	17.8	18.9	22.7
Above 1.5 times the Poverty Line	21.5	25.6	26.8	26.9
Hours of Work				
0	53.7	50.0	50.7	52.9
1-10	2.0	1.8	1.2	1.0
11-20	5.1	5.7	5.6	4.5
21-34	9.3	10.1	10.6	9.1
35 and Over	29.8	32.3	31.9	32.6
In Poverty if Working in 1 st Month After AFDC	45.4	46.6	46.0	44.9
In Poverty if Not Working in 1 st Month After AFDC	71.3	63.1	59.1	54.1
Wages				
<=\$5 Hour	20.6	18.3	17.1	11.6
5<Wage<=8	59.2	59.2	56.8	58.1
8<Wage<=11	15.2	16.8	18.4	19.2
Wage>11	5.0	5.7	7.7	11.1
Percent Working 20+ Hours and Earning \$8+/hr	7.3	8.8	10.1	11.4
Percent Working 35+ Hours and Earning \$8+/hr	5.9	6.9	7.8	8.9
Other Characteristics				
Married	20.2	28.9	30.3	32.9
Private Health Insurance	20.0	26.0	27.0	31.4
Health Insurance if Not Married	17.9	20.8	23.5	25.1
Health Insurance if Married	25.5	36.0	34.7	40.1
AFDC Income	...	13.5	19.0	16.6
Child Support	13.6	14.2	15.0	14.6

Transfer Income as a Percent of Total Income	20.2	16.9	20.8	18.9
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Source: Tabulated by the authors from the Survey of Income and Program Participation, 1990-1993 Panels.

Table 2

Probability Estimates for the Likelihood of Being Below or Above Particular Levels of Income, For Former AFDC Recipients in the First 18 Months After AFDC

	Family Income-to-Needs<.5	Family Income-to-Need<1	Family Income-to-Needs>=1.5
Overall	16.4	51.0	24.3
RACE (WHITE OMITTED)			
WHITE	13.2	48.5	26.2
BLACK	17.2	50.7	23.2
NATIVE AMERICAN	...	43.0	19.5
HISPANIC	27.8 a	58.7 c	22.2
ASIAN	36.1c	67.1	8.0 c
RELATIONSHIP TO HEAD (HEAD OMITTED)			
HEAD	18.7	53.4	19.8
WIFE	16.9	48.4	28.9 d
CHILD	.6 a	40.7 c	33.9 b
GRAND CHILD	30.3	40.7	24.3
OTHER RELATIONSHIP	36.2 b	56.8	15.0
PERSONAL VARIABLES			
1 CHILD	16.2	46.6 b	27.3 c
3 CHILDREN	16.7	55.2 b	21.1 c
AGE 15	24.0 b	60.4 b	17.1 b
AGE 25	19.5 b	54.6 b	21.5 b
AGE 40	13.5 b	45.7 b	29.4 b
SCHOOLING			
FULL-TIME SCHOOL	36.3	74.5 d	7.2 c
PART-TIME SCHOOL	32.0	75.8 c	13.4
HIGH SCHOOL DROPOUT (omitted)	17.2	58.8	20.0
HIGH SCHOOL GRADUATE ONLY	15.0	48.8 b	25.7 d
SOME COLLEGE	15.3	44.1 b	28.0 d
COLLEGE	35.8 d	38.7 d	18.7
CHILD PROBLEMS			
CHILD IN THERAPY	3.0	54.4	25.7
SPECIAL EDUCATION	12.6	50.3	50.0 b
CHILD WITH HEALTH LIMITS	27.9	60.3	24.4
CHILD WITH SCHOOL DIFFICULTIES	21.6	52.1	5.8a

	Family Income-to-Needs<.5	Family Income-to-Need<1	Family Income-to-Needs>=1.5
Overall	16.4	51.0	24.3
WORK LIMITATIONS AND YEARS OF WORK EXPERIENCE			
WORK LIMITS	12.3	55.2	19.0
MONTHLY STATE CONDITIONS /MEDIAN STATE INCOME (1990)			
UNEMPLOYMENT RATE= 0%	11.1	29.0 c	47.6 c
UNEMPLOYMENT RATE= 5%	14.9	45.3 c	29.5 c
UNEMPLOYMENT RATE= 10%	19.4	61.6 c	16.3 c
STATE WELFARE MAX OF \$150	21.7	59.5	16.1 d
STATE WELFARE MAX OF \$1000	12.7	44.7	30.9 d
MEDIAN INCOME=\$30000	23.7	67.1 b	14.5 c
MEDIAN INCOME=\$50000	11.5	38.4 b	32.7 c
PUBLIC/SUBSIDIZED HOUSING AT END OF SPELL			
SUBSIDIZED HOUSING	25.3 d	68.4 b	24.7
PUBLIC HOUSING	25.8 b	54.1	14.9 d
TRAINING EVER RECEIVED			
JOB TRAINING PARTNERSHIP ACT	19.0	53.9	22.0
JOB SKILLS TRAINING	8.6	41.0	37.5
BASIC SKILLS TRAINING	4.5	60.5	21.2
JOB SEARCH ASSISTANCE	2.2 c	40.0	39.8 d
ON THE JOB TRAINING	17.3	57.1	29.1
JOB TRAINING, WORK EXPERIENCE	22.8	52.0	39.5
JOB TRAINING, OTHER SOURCES	7.6	34.2	18.8
JOB TRAINING THROUGH APPRENT	18.11	38.2	16.6
JOB TRAINING, BUSINESS, COMMERCIAL, VOCATIONAL	12.9	47.7	22.2
JOB TRAINING IN COMMUNITY COL	17.6	54.0	27.5
JOB TRAINING, HIGH SCHOOL VOCATIONAL	23.0	58.0	14.9
JOB TRAINING -- WORK	10.0	66.6	14.4
MARITAL STATUS AND EARNINGS AT EXIT (MARRIED, WITH NO PERSONAL EARNINGS, POSITIVE FAMILY EARNINGS , IS EXCLUDED)			
MARRIED, NO PERSONAL EARNINGS, FAMILY EARNINGS	2.6	31.0	46.0
MARRIED, NO PERSONAL EARNINGS, NO FAMILY EARNINGS	17.3 a	57.3 a	19.0 a
MARRIED, PERSONAL EARNINGS, REST OF FAMILY EARNINGS > PERSONAL EARNINGS	16.2 d	25.6	46.4

	Family Income-to-Needs<.5	Family Income-to-Need<1	Family Income-to-Needs>=1.5
Overall	16.4	51.0	24.3
MARRIED, PERSONAL EARNINGS, PERSONAL EARNINGS > REST OF FAMILY EARNINGS	20.8 a	61.2 a	14.0 a
NOT MARRIED, NO PERSONAL EARNINGS, POSITIVE FAMILY EARNINGS	17.9 c	22.7	39.6
NOT MARRIED, NO PERSONAL EARNINGS, NO FAMILY EARNINGS	20.5 a	57.2 a	17.1 a
NOT MARRIED, PERSONAL EARNINGS, REST OF FAMILY EARNINGS > PERSONAL EARNINGS	...	31.0	46.0
NOT MARRIED, PERSONAL EARNINGS, REST OF FAMILY EARNINGS < PERSONAL EARNINGS	27.2 a	63.5 a	12.1 a
1ST OCCUPATION AFTER EXIT(CLERICAL OMITTED)			
CLERICAL	8.5	35.1	40.7
SALES	25.9 b	51.5 c	26.4 c
SERVICE	10.3	50.2 c	27.0 b
MAID	24.6 c	52.9 d	3.1 a
NO JOB WITHIN THE FIRST 3 MONTHS AFTER AFDC	30.8 a	62.5 b	17.5 c
NO JOB AFTER AFDC	28.7 b	66.7 a	9.4 a
SPELL LENGTH (TIME 1 OMITTED)			
0<=TIME<=3 MONTHS	20.9	53.9	33.4
TIME>96 MONTHS	18.7	58.3	15.5 b

a: p<.001; b: p<.01; c:p<.05; d:p<.10.

All the variables included in the models, coefficient estimates and standard errors are given in Appendix Table A.2.

-2 Log Likelihood for half poverty model: 353.25
-2 Log Likelihood for poverty model: 631.55
-2 Log Likelihood for half poverty model: 451.01

Table 3
Regressions for Income Measures for Former AFDC Recipients:
Averages Over the 18 Month Period Following Welfare

	Log of Family Income- to-Needs	Percentage of Time in Poverty

Mean (SD)	1.19 (.912)	.52 (.37)
RACE (WHITE OMITTED)		
BLACK	-.105 (.066)	.051 (.049)
NATIVE AMERICAN	-.045 (.198)	-.018 (.142)
HISPANIC	-.162 (.075) ^c	.119 (.055) ^c
ASIAN	-.536 (.174) ^b	.298 (.137) ^c
RELATIONSHIP TO HEAD (HEAD OMITTED)		
WIFE	-.022 (.085)	.022 (.063)
CHILD	.281 (.088) ^b	-.187 (.066) ^b
GRAND CHILD	-.112 (.182)	.035 (.124)
OTHER RELATIONSHIP	-.529 (.126) ^a	.163 (.093) ^d
PERSONAL VARIABLES		
NUMBER OF CHILDREN	-.036 (.024)	.051 (.018) ^b
MORE KIDS THAN AT END OF SPELL	.027 (.064)	.009 (.048)
FEWER KIDS THAN AT END OF SPELL	-.020 (.065)	.125 (.049) ^b
AGE AT BEGINNING	.011 (.003) ^a	-.007 (.003) ^b
SCHOOLING		
SCHOOL PAID FOR	.237 (.249)	-.043 (.070)
FULL TIME SCHOOL	-.294 (.231)	.339 (.176) ^c
PART TIME SCHOOL	-.258 (.213)	.268 (.160) ^d
HIGH SCHOOL GRADUATE ONLY	.183 (.059) ^b	-.109 (.044) ^b
SOME COLLEGE	.187 (.073) ^b	-.170 (.055) ^b
COLLEGE GRADUATE	-.045 (.156)	-.112 (.114)
CHILD PROBLEMS /WORK LIMITATIONS		
SCHOOL DIFFICULTIES	-.246 (.123) ^d	.164 (.091) ^d
SPECIAL EDUCATION	.206 (.134)	-.118 (.099)
HEALTH LIMITS	-.026 (.181)	.097 (.132)
WORK LIMITS	-.072 (.073)	.068 (.054)
STATE CONDITIONS/REGION (SOUTH OMITTED)		
UNEMPLOYMENT RATE	-.052 (.022) ^b	.057 (.016) ^a
WELFARE MAX (000)	.293 (.184)	-.373 (.136) ^b
MEDIAN INCOME (000)	.016 (.008) ^c	-.020 (.006) ^a
WEST	.178 (.108) ^d	.005 (.079)
NORTHEAST	.008 (.121)	.141 (.090)
NORTH CENTRAL	.054 (.084)	.112 (.062) ^d

	Log of Family Income-to-Needs	Percentage of Time in Poverty
Mean (SD)	1.19 (.912)	.52 (.37)
PUBLIC/SUBSIDIZED HOUSING (at the end of the AFDC spell)		
SUBSIDIZED HOUSING	-.222 (.092) ^c	.172 (.070) ^b
PUBLIC HOUSING	-.167 (.086) ^c	.136 (.064) ^c
MARITAL STATUS AND EARNINGS AT EXIT (MARRIED, WITH NO PERSONAL EARNINGS, POSITIVE FAMILY EARNINGS IS EXCLUDED)		
MARRIED, NO PERSONAL EARNINGS, NO FAMILY EARNINGS	-.505 (.088) ^a	.411 (.066) ^a
MARRIED, PERSONAL EARNINGS, REST OF FAMILY EARNINGS>PERSONAL EARNINGS	-.043 (.127)	.032 (.099)
MARRIED, PERSONAL EARNINGS, PERSONAL EARNINGS > REST OF FAMILY EARNINGS	-.509 (.105) ^a	.410 (.077) ^a
NOT MARRIED, NO PERSONAL EARNINGS, POSITIVE FAMILY EARNINGS	-.099 (.136)	-.007 (.102)
NOT MARRIED, NO PERSONAL EARNINGS, NO FAMILY EARNINGS	-.465 (.105) ^a	.475 (.078) ^a
NOT MARRIED, PERSONAL EARNINGS, REST OF FAMILY EARNINGS > PERSONAL EARNINGS	-.116 (.203)	.302 (.152) ^c
NOT MARRIED, PERSONAL EARNINGS, REST OF FAMILY EARNINGS < PERSONAL EARNINGS	-.598 (.112) ^a	.475 (.082) ^a
1ST OCCUPATION AFTER EXIT(CLERICAL OMITTED)		
PROFESSIONAL	.033 (.133)	-.081 (.098)
TECHNICAL	.002 (.249)	.088 (.188)
SALES	-.365 (.108) ^a	.264 (.080) ^a
SERVICE	-.195 (.104) ^c	.161 (.077) ^c
MAID	-.370 (.146) ^b	.311 (.108) ^b
PERSONAL SERVICES	-.182 (.148)	.259 (.107) ^c
LABORER	-.185 (.104) ^d	.137 (.077) ^d
HEALTH SERVICES	-.201 (.113) ^d	.135 (.084)
OTHER OCCUPATIONS	-.581 (.150) ^a	.295 (.110) ^b
NO JOB IN 1 ST 3 MONTHS AFTER EXIT	-.288 (.080) ^a	.167 (.059) ^b
NO JOB IN 1 ST 18 MONTHS AFTER EXIT	-.571 (.102) ^a	.420 (.077) ^a
R ²	.44	

a: p<.001; b: p<.01; c:p<.05; d:p<.10. *:

Log Likelihood for Normal Distribution for the Percentage of Below the Poverty Line:

-411.62

The variable TRAINING was used in a separate model to replace all the other training variables. Other variables used in the models include a set of dummy variables for time on welfare, year that the AFDC spell ended, job training in high school vocational programs, basic skills training, job skills training, time in public housing, whether the individual was always in public housing, families with children who need special education, with children with health limits, and children in therapy, whether the family has a one child under age six, and whether the family has more than one child under the age of six. Other variables in the models include whether the former recipient was working in the private, for profit or non-profit sectors, or for the government, and years of work experience. We also included a single variable for any job training. The coefficient estimate for this single training variable was insignificant in both models above.

Table 4

Work and Health Insurance Regressions for the 18 Month Period Following AFDC Exit

	Log of Wages	Log of Hours of Work	Log of Earnings	Percentage of Time Working	Percentage of Time With Private Health Insurance
Mean (SD)^a	6.80 (2.75)	25.1 (13.6)	501.2 (564.4)	.481 (.414)	.494 (.412)
RACE (WHITE OMITTED)					
BLACK	.091 (.060)	-.042 (.111)	.032 (.137)	.031 (.062)	-.266 (.119)c
NATIVE AMERICAN	.074 (.146)	-.110 (.270)	.042 (.336)	.252 (.186)	.552 (.317)d
HISPANIC	-.035 (.065)	.060 (.119)	-.013 (.148)	.017 (.069)	-.318 (.132)c
ASIAN	.007 (.180)	-.854 (.332)b	-1.123 (.388)b	.125 (.175)	-.476 (.326)
RELATIONSHIP TO HEAD (HEAD OMITTED)					
WIFE	.010 (.075)	-.338 (.139)c	-.305 (.171)d	-.221 (.080)b	.104 (.153)
CHILD	.022 (.081)	.125 (.150)	.152 (.185)	-.069 (.083)	.166 (.158)
GRAND CHILD	.172 (.152)	-.090 (.280)	.361 (.335)	-.011 (.154)	-.045 (.307)
OTHER RELATIONSHIPS	-.097 (.075)	-.047 (.234)	-.714 (.275)	-.154 (.118)	-.014 (.224)
PERSONAL VARIABLES					
MORE KIDS THAN AT SPELL END	-.197 (.057)a	-.209 (.106)c	-.478 (.130)a	-.105 (.059) ^d	-.073 (.114)
FEWER KIDS THAN AT SPELL END	-.045 (.058)	-.007 (.108)	.008 (.134)	.037(.062)	-.050 (.116)
1 CHILD UNDER AGE 6	.004 (.003)	-.015 (.114)	.092 (.141)	-.013 (.067)	-.077 (.126)
2 CHILDREN UNDER AGE 6	-.029 (.082)	-.033 (.152)	.051 (.187)	-.066 (.087)	-.079 (.168)
AGE IN THE FIRST MONTH AFTER SPELL	.003 (.003)	.008 (.006)	.023 (.008)b	-.002 (.003)	.005 (.005)
SCHOOLING					
SCHOOL PAID FOR	.073 (.218)	.408 (.404)	.659 (.489)	.023 (.237)	-.256 (.451)
FULL TIME STUDENT	-.092 (.191)	-1.147 (.354)a	-1.459 (.440)a	-.507 (.208) ^b	-.049 (.405)
PART TIME STUDENT	.116 (.183)	-.219 (.340)	-.049 (.413)	.194 (.192)	-.301 (.387)
HIGH SCHOOL GRADUATE	-.037 (.051)	.103 (.095)	.180 (.117)	.140 (.055)b	.237 (.106) ^e
SOME COLLEGE	-.014 (.063)	.140 (.116)	.814 (.142)	.173 (.069) ^b	.381 (.132) ^b
COLLEGE GRADUATE	-.009 (.142)	.302 (.262)	.442 (.328)	.065 (.152)	.493 (.274) ^d
CHILD PROBLEMS					
CHILD IN THERAPY	.166 (.139)	.050 (.257)	.268 (.318)	.013 (.160)	.465 (.315)
CHILD DIFFICULTIES AT SCHOOL	.061 (.107)	-.113 (.197)	-.078 (.241)	-.009 (.119)	-.617 (.241) ^b
WORK EXPERIENCE / LIMITATIONS					
YEARS OF WORK EXPERIENCE	.001 (.005)	-.003 (.009)	-.010 (.011)	.006 (.006)	-.020 (.011)d
WORK LIMITS	-.027 (.071)	-.279 (.131)c	-.441 (.159)b	-.167 (.072) ^e	-.162 (.138)
STATE CONDITIONS/REGION (SOUTH OMITTED)					

	Log of Wages	Log of Hours of Work	Log of Earnings	Percentage of Time Working	Percentage of Time With Private Health Insurance
UNEMPLOYMENT RATE	.039 (.019)c	-.092 (.036)b	-.084 (.044) ^d	-.003 (.020)	-.002 (.039)
WELFARE MAX (000)	.115 (.155)	.103 (.286)	.395 (.335)	-.101 (.170)	-.231 (.324)
NORTHEAST	.029 (.108)	-.469 (.199) ^c	-.371 (.247)	-.076 (.113)	.231 (.213)
NORTH CENTRAL	-.010 (.070)	-.250 (.129)c	-.363 (.161)	-.025 (.077)	.158 (.147)
WEST	-.029 (.088)	-.156 (.162)	-.194 (.202)	-.010 (.098)	.203 (.189)
MEDIAN INCOME	.017 (.007)c	.016 (.013)	.030 (.016) d	.016 (.008) ^c	.024 (.014)d
PUBLIC/SUBSIDIZED HOUSING					
SUBSIDIZED RENT	-.110 (.074)	-.248 (.137)d	-.125 (.170)	.004 (.086)	-.671 (.182) ^a
ALWAYS LIVED IN PUBLIC HOUSING	-.110 (.246)	-.736 (.455)	-1.274 (.566)c	-.224 (.275)	-.385 (.630)
TRAINING RECEIVED					
TRAINING*	.021 (.194)	.293 (.340)	.117 (.433)	.226 (.162)	-.166 (.432)
JOB TRAINING PARTNERSHIP ACT	-.136 (.093)	.187 (.172)	.255 (.214)	.048 (.111)	.091 (.212)
BASIC SKILLS TRAINING	.003 (.117)	-.084 (.216)	.042 (.269)	-.025 (.143)	.117 (.262)
JOB SEARCH ASSISTANCE	.205 (.106)c	.297 (.197)	.419 (.244)d	.260 (.133) ^c	.032 (.230)
ON THE JOB TRAINING	.185 (.110)d	.134 (.203)	.208 (.248)	-.233 (.115) ^c	.395 (.213)d
JOB TRAINING APPRENTICESHIP	-.052 (.246)	-1.046 (.456)c	-.778 (.568)	-.599 (.289) ^c	.106 (.516)
JOB TRAINING, BUSINESS, COMMERCIAL, VOCATIONAL	.169 (.093)	.069 (.174)	.102 (.214)	.280 (.114) ^b	.145 (.208)
JOB TRAINING COMMUNITY COLLEGE	.016 (.128)	-.226 (.236)	-.378 (.279)	-.283 (.140) ^c	-.187 (.283)
JOB TRAINING, HIGH SCHOOL VOCATIONAL	-.076 (.152)	.069 (.174)	-.182 (.350)	.084 (.191)	.022 (.330)
JOB TRAINING WORK	-.232 (.132)d	-.376 (.245)	-.681 (.303)c	-.122 (.153)	-.791 (.299) ^b
NUMBER OF WEEKS OF JOB TRAINING	-.001 (.002)	.001 (.003)	.001 (.004)	-.002 (.002)	.000 (.003)
JOB TRAINING PAID FOR BY					
SELF	.084 (.148)	-.044 (.273)	.001 (.340)	.045 (.169)	-.363 (.318)
EMPLOYER	.102 (.135)	.150 (.251)	.380 (.311)	.521 (.157) ^a	.100 (.293)
GOVERNMENT	-.018 (.121)	-.092 (.225)	-.091 (.276)	.133 (.139)	-.183 (.262)
SOMEONE ELSE	.521 (.220)c	.273 (.408)	.886 (.508)d	.317 (.251)	.117 (.455)
MARITAL STATUS AND EARNINGS AT EXIT (MARRIED, WITH NO PERSONAL EARNINGS, POSITIVE FAMILY EARNINGS, IS EXCLUDED)					
MARRIED, NO PERSONAL EARNINGS, NO FAMILY EARNINGS	.097 (.090)	.149 (.166)	.128 (.202)	-.000 (.085)	-.152 (.162)
MARRIED, PERSONAL EARNINGS, REST OF FAMILY EARNINGS>PERSONAL EARNINGS	.246 (.097)c	.445 (.177)b	.793 (.224)a	.682 (.111)a	-.242 (.221)
MARRIED, PERSONAL EARNINGS, PERSONAL EARNINGS > REST OF FAMILY EARNINGS	.191 (.086)c	.518 (.157)a	.702 (.197)a	.490 (.094) ^a	-.216 (.185)
NOT MARRIED, NO PERSONAL EARNINGS, POSITIVE FAMILY EARNINGS	.124 (.119)	.158 (.219)	.187 (.274)	.163 (.120)	.071 (.235)

	Log of Wages	Log of Hours of Work	Log of Earnings	Percentage of Time Working	Percentage of Time With Private Health Insurance
NOT MARRIED, NO PERSONAL EARNINGS, NO FAMILY EARNINGS	.175 (.104)d	.094 (.191)	.251 (.238)	-.027 (.097)	-.188 (.190)
NOT MARRIED, PERSONAL EARNINGS, REST OF FAMILY EARNINGS > PERSONAL EARNINGS	.129 (.158)	.705 (.291)c	1.004 (.363)b	.649 (.179) ^a	-.091 (.345)
NOT MARRIED, PERSONAL EARNINGS, REST OF FAMILY EARNINGS < PERSONAL EARNINGS	.304 (.091)a	.556 (.166)a	.861 (.208)a	.578 (.101) ^a	-.070 (.196)
1ST OCCUPATION AFTER EXIT(CLERICAL OMITTED)					
PROFESSIONAL	.046 (.101)	-.300 (.180)d	.088 (.224)	.009 (.084)	.035 (.221)
TECHNICAL	.350 (.180)c	.186 (.316)	.608 (.400)	.008 (.151)	.146 (.416)
SALES	.035 (.093)	-.535 (.162)a	-.528 (.203)b	-.054 (.067)	-.464 (.185) ^b
SERVICE	-.204 (.090)c	-.495 (.156)b	-.615 (.196)b	-.001 (.066)	-.443 (.178) ^b
MAID	-.263 (.115)c	-.829 (.202)a	-.955 (.254)a	-.237 (.091) ^b	-.235 (.260)
PERSONAL SERVICES	-.311 (.118)b	-.277 (.207)	-.306 (.261)	.137 (.099)	-.522 (.257) ^c
LABORER	-.019 (.088)	-.277 (.154)d	-.307 (.192)	.049 (.066)	-.084 (.172)
HEALTH SERVICES	-.150 (.094)	-.235 (.164)	-.321 (.205)	-.012 (.072)	-.077 (.190)
OTHER OCCUPATIONS	-.062 (.119)	-.342 (.208)	-.476 (.263)d	-.104 (.089)	-.605 (.263) ^c
NO JOB IN 1 ST 3 MONTHS	-.117 (.065)d	-.741 (.113)a	-.760 (.143)a	-.398 (.052) ^a	-.477 (.143)
NO JOB IN 18 MONTHS	...	...	...	...	-.882 (.180) ^a
Lambda	.066 (.099)	-.338 (.173)c	-.352 (.215)d		
R ²	.33	.34	.37		

a: p<.001; b: p<.01; c:p<.05; d:p<.10. *:

Log Likelihood for Normal Distribution for the Percentage of Time Working Model: -383.93
Log Likelihood for Normal Distribution for the Percentage of Time with Health Insurance: -625.08

The variable TRAINING was used in a separate model to replace all the other training variables. Other variables included in the analyses include year the spell ended, economic sector of the first job after welfare, the job training programs JTPA, job skills training, job training work experience, job training in business, commercial and vocational programs, job training in other programs, job training in high school vocational programs, time in public housing, whether living in public housing, special educational programs for the child, health limits for the child, school difficulties for the child, part time school for the former recipient, number of children under age 18, number of marriages, a set of dummy variables for time on welfare during the last spell, and time on AFDC previous to the last spell.

* The means and standard deviations are for the non-logged values of the dependent variables.

Table 5

Probability Estimates for the Likelihood of Surviving Employment/Nonemployment, by Hours of Work, For Former AFDC Recipients

	After AFDC					
	Work 35 Hours/Week		Work 20 Hours/Week		Nonemployment Exits	
	Survival through 6 Months	Survival through 18 Months	Survival through 6 Months	Survival through 18 Months	Survival of 6 thorough Months	Survive through 18 Months
OVERALL	67.9 %	60.2%	75.6	69.4	69.6	65.5
NUMBER OF SPELLS	695		862		1028	
NUMBER OF SPELL ENDINGS	375		387		438	
PERSONAL VARIABLES						
NO KIDS UNDER AGE 6					66.9	62.2
1 CHILD UNDER AGE 6					70.8	66.6
2 OR MORE CHILDREN UNDER AGE 6	58.9	50.3			77.4	73.9
MORE KIDS THAN AT END OF SPELL			67.2	59.4	79.1	75.8
AGE 20					61.4	56.1
AGE 30					70.4	66.0
AGE 40					77.8	74.3
SCHOOLING						
FULL TIME STUDENT	50.9	41.3			79.7	76.6
PART TIME STUDENT					80.9	77.9
HIGH SCHOOL DROPOUT (OMITTED)	54.9	45.7	66.8	58.9	75.0	71.2
HIGH SCHOOL GRADUATE	67.6	60.0	76.8	70.9	69.1	64.5
SOME COLLEGE	78.7	73.3	82.6	77.8	65.8	60.8
COLLEGE GRADUATE	71.5*	64.5*	74.4*	67.8*	62.2*	56.9*
CHILD PROBLEMS /WORK LIMITATIONS						
CHJLD W/ HEALTH/EMOTIONAL PROBLEMS					87.1	85.1
SCHOOL DIFFICULTIES					81.8	78.9
WORK EXPERIENCE/LIMITATIONS						
YEARS OF WORK EXPERIENCE						
WORK LIMITATIONS					85.5	83.1
MONTHLY STATE CONDITIONS						
UNEMPLOYMENT RATE= 0%					57.1	51.6
UNEMPLOYMENT RATE= 5%					67.7	63.1
UNEMPLOYMENT RATE= 10%					76.3	72.8
TRAINING EVER RECEIVED						

	After AFDC					
	Work 35 Hours/Week		Work 20 Hours/Week		Nonemployment Exits	
	Survival through 6 Months	Survival through 18 Months	Survival through 6 Months	Survival through 18 Months	Survival of 6 thorough Months	Survive through 18 Months
OVERALL	67.9 %	60.2%	75.6	69.4	69.6	65.5
JOB TRAINING WEEKS=0	69.2	61.9	77.1	71.3		
JOB TRAINING WEEKS=50	58.9	50.0	63.8	54.1		
JOB TRAINING WEEKS=100	47.0	37.2	39.2	32.7		
JOB TRAINING PART ACT					60.5	57.7
JOB TRAINING AT COMMUNITY COLL	42.3	32.4	55.9	46.5		
JOB TRAINING, BUSINESS, COMMERCIAL, VOCATIONAL	77.4	71.7				
JOB TRAINING WORK EXPERIENCE	40.2	30.3				
JOB TRAINING PAID FOR BY:						
GOVERNMENT			82.7	80.0		
SOMEONE ELSE			93.0	91.9	55.1	52.0
MARITAL STATUS AND EARNINGS AT EXIT (MARRIED, WITH NO PERSONAL EARNINGS, FAMILY EARNINGS IS EXCLUDED)						
MARRIED, NO PERSONAL EARNINGS, POSITIVE FAMILY EARNINGS	58.4	49.4	64.7	56.5	74.3	71.4
MARRIED, NO PERSONAL EARNINGS, NO FAMILY EARNINGS	65.7*	57.8*	69.7*	62.3*	76.5*	72.8*
MARRIED, PERSONAL EARNINGS, REST OF FAMILY EARNINGS > PERSONAL EARNINGS	72.0*	65.2*	77.2	71.2	74.6*	70.7*
MARRIED, PERSONAL EARNINGS, PERSONAL EARNINGS > REST OF FAMILY EARNINGS	70.1	62.8	76.4	70.2	68.1	63.3
NOT MARRIED, NO PERSONAL EARNINGS, POSITIVE FAMILY EARNINGS	55.2*	45.9*	76.7	70.6	63.6*	58.5*
NOT MARRIED, NO PERSONAL EARNINGS, NO FAMILY EARNINGS	66.5*	58.7*	76.0	69.9	69.0*	64.5*
NOT MARRIED, PERSONAL EARNINGS, REST OF FAMILY EARNINGS > PERSONAL EARNINGS	72.3*	65.6*	87.8	84.5	39.2*	32.8*
NOT MARRIED, PERSONAL EARNINGS, REST OF FAMILY EARNINGS < PERSONAL EARNINGS	70.1	62.8	77.4	71.6	62.1	56.8
1ST OCCUPATION AFTER EXIT(CLERICAL OMITTED)						
CLERICAL	69.8	62.7			...	...
SERVICE	57.3	49.7			...	...
OTHER INCOME						
ALIMONY OF \$200/MONTH	53.7	44.5	62.3	53.8		
ALIMONY OF \$500/MONTH	44.3	36.8	36.5	26.5		

	After AFDC					
	Work 35 Hours/Week		Work 20 Hours/Week		Nonemployment Exits	
	Survival through 6 Months	Survival through 18 Months	Survival through 6 Months	Survival through 18 Months	Survival of 6 thorough Months	Survive through 18 Months
OVERALL	67.9 %	60.2%	75.6	69.4	69.6	65.5
HEALTH INSURANCE/WAGES						
SELF-PAID HEALTH INSURANCE					77.9	74.5
EMPLOYER PAID HEALTH INSUR	81.8	76.9	88.5	85.2	...	...
NO EMPLOYER HEALTH INSURANCE	61.8	53.3	70.9	63.7	...	...
WAGE=\$5/HOUR	64.8	56.9	71.8	65.0	...	...
WAGE=\$10/HOUR	73.7	67.4	80.5	75.3	...	...
WAGE=\$15/HOUR	80.8	75.8	86.8	83.2	...	...
LATEST SPELL LENGTH / PREVIOUS SPELL LENGTH IN MONTHS (TIME 1 OMITTED)						
PREV TIME ON WELFARE=0 MN			76.6	70.5		
PREV TIME ON WELFARE=50 M			71.0	63.8		
MONTHS BETWEEN SPELL ENDING AND WORK/NONWORK						
MONTHS BETWEEN=0			76.9	70.9	71.9	67.7
MONTHS BETWEEN=12			68.6	61.0	68.2	63.6
MONTHS BETWEEN=24			61.8	53.4	64.4	59.4

See the table in the appendix for the regression coefficients, standard errors and significance levels. All included variables have coefficients estimates that are significant at the .10 level or better for two-tailed tests. *: The coefficient for these variables is not significant but estimates are included to give an indication of the effects of the set of dummy variables.

There were a total of 1437 unweighted AFDC exits used for these analyses.

Table 6

Regressions for Transfer Income for the 18 Month Period After Welfare for Former AFDC Recipients

	% Time on AFDC	Transfer Income as a Percentage of Total Income
Mean (SD)	.159 (.298)	.167 (.269)
RACE (WHITE OMITTED)		
BLACK	.193 (.075) ^b	.137 (.038) ^a
NATIVE AMERICAN	.171 (.214)	.032 (.115)
HISPANIC	-.031 (.088)	.018 (.043)
ASIAN	.160 (.206)	.168 (.097) ^d
RELATIONSHIP TO HEAD (HEAD OMITTED)		
WIFE	.012 (.099)	.120 (.049) ^b
CHILD	.183 (.102) ^d	.141 (.050) ^b
GRAND CHILD	-.557 (.315) ^d	-.107 (.118)
OTHER RELATIONSHIPS	-.036 (.145)	.037 (.071)
PERSONAL VARIABLES		
NUMBER OF CHILDREN UNDER 18	.055 (.027) ^c	.009 (.013)
MORE KIDS THAN AT END OF SPELL	.159 (.073) ^c	.072 (.037) ^c
FEWER KIDS THAN AT END OF SPELL	-.007 (.078)	.040 (.038)
AGE AT BEGINNING	-.011 (.004) ^b	-.002 (.002)
SCHOOLING		
SCHOOL PAID FOR	-.120 (.301)	.059 (.149)
FULL TIME SCHOOL	.242 (.266)	.063 (.138)
PART TIME SCHOOL	-.101 (.251)	-.071 (.126)
HIGH SCHOOL GRADUATE ONLY	-.055 (.069)	-.086 (.034) ^b
SOME COLLEGE	-.073 (.084)	-.090 (.042) ^c
COLLEGE GRADUATE	-.346 (.233)	-.012 (.090)
WORK EXPERIENCE/LIMITATIONS		
YEARS OF WORK EXPERIENCE	-.003 (.007)	-.006 (.003) ^d
WORK LIMITS	.134 (.084)	.144 (.041) ^a
STATE CONDITIONS		
UNEMPLOYMENT RATE	-.001 (.026)	.009 (.013)
WELFARE MAX (000)	.148 (.217)	.163 (.109)
MEDIAN INCOME	-.003 (.010)	.006 (.005)

	% Time on AFDC	Transfer Income as a Percentage of Total Income
Mean (SD)	.159 (.298)	.167 (.269)
PUBLIC/SUBSIDIZED HOUSING (AT THE END OF THE AFDC SPELL)		
SUBSIDIZED HOUSING	.009 (.100)	.047 (.053)
PUBLIC HOUSING	.077 (.088)	.078 (.049)
TRAINING RECEIVED		
TRAINING [†]	.181 (.315)	.039 (.153)
JOB TRAINING PARTNERSHIP ACT	.008 (.138)	.048 (.070)
JOB SEARCH ASSISTANCE	.028 (.166)	-.080 (.084)
ON THE JOB TRAINING	.159 (.154)	.014 (.078)
JOB TRAINING, WORK EXPERIENCE	-.056 (.198)	-.277 (.170) ^d
JOB TRAINING, OTHER SOURCES	-.122 (.278)	-.086 (.130)
JOB TRAINING THROUGH APPRENTICE	.053 (.354)	.254 (.163)
JOB TRAINING, BUSINESS, COMMERCIAL, VOCATIONAL	.171 (.151)	-.036 (.076)
JOB TRAINING THROUGH COMMUNITY COLL	.477 (.175) ^b	.217 (.086) ^b
JOB TRAINING B WORK	.056 (.198)	.014 (.104)
NUMBER OF WEEKS OF JOB TRAINING	-.001 (.003)	.001 (.001)
JOB TRAINING PAID BY SELF	-.171 (.225)	.005 (.111)
JOB TRAINING PAID BY EMPLOYER	-.019 (.202)	-.020 (.106)
JOB TRAINING PAID BY GOVERNMENT	-.066 (.181)	-.021 (.090)
JOB TRAINING PAID BY SOMEONE ELSE	-.665 (.444)	-.223 (.167)
MARITAL STATUS AND EARNINGS AT EXIT (MARRIED, WITH NO PERSONAL EARNINGS, FAMILY EARNINGS IS EXCLUDED)		
MARRIED, NO PERSONAL EARNINGS, NO FAMILY EARNINGS	.238 (.103) ^c	.319 (.052)a
MARRIED, PERSONAL EARNINGS, REST OF FAMILY EARNINGS > PERSONAL EARNINGS	.133 (.148)	.110 (.075)
MARRIED, PERSONAL EARNINGS, PERSONAL EARNINGS > REST OF FAMILY EARNINGS	.209 (.121) ^d	.244 (.062)a
NOT MARRIED, NO PERSONAL EARNINGS, POSITIVE FAMILY EARNINGS	-.113 (.167)	.183 (.078)c
NOT MARRIED, NO PERSONAL EARNINGS, NO FAMILY EARNINGS	.107 (.122)	.287 (.061)a
NOT MARRIED, PERSONAL EARNINGS, REST OF FAMILY EARNINGS > PERSONAL EARNINGS	-.067 (.241)	.155 (.118)
NOT MARRIED, PERSONAL EARNINGS, REST OF FAMILY EARNINGS < PERSONAL EARNINGS	.258 (.129) ^c	.304 (.066) a
1ST OCCUPATION AFTER EXIT (CLERICAL OMITTED)		
PROFESSIONAL	-.034 (.156)	-.068 (.079)

	% Time on AFDC	Transfer Income as a Percentage of Total Income
Mean (SD)	.159 (.298)	.167 (.269)
TECHNICAL	...	-.128 (.155)
SALES	.045 (.125)	.015 (.064)
SERVICE	.175 (.118)	.040 (.060)
MAID	.164 (.163)	.086 (.083)
PERSONAL SERVICES	-.196 (.194)	-.114 (.095)
LABORER	.042 (.121)	-.039 (.062)
HEALTH SERVICES	.031 (.136)	-.014 (.068)
OTHER OCCUPATIONS	.249 (.160)	-.025 (.086)
NO JOB IN 1 ST 3 MONTHS AFTER EXIT	.165 (.089) ^d	.050 (.045)
NO JOB IN 1 ST 18 MONTHS AFTER EXIT	.060 (.118)	.200 (.059) ^a
SPELL LENGTH (TIME 1 OMITTED)		
TIME>96 MONTHS	-.444 (.372)	.003 (.239)
PREVIOUS NUMBER OF MONTHS ON AFDC	.002 (.001) ^d	.001 (.001)

a: p<.001; b: p<.01; c:p<.05; d:p<.10. *:

Log Likelihood for Normal Distribution for the AFDC Model: -361.93

Log Likelihood for Normal Distribution for the Transfer Income Model: -268.33

The variable TRAINING was used in a separate model to replace all the other training variables. Other variables used in the models include a set of dummy variables for time on welfare (time2-time12 are not included above), year that the AFDC spell ended, job training in high school vocational programs, basic skills training, job skills training, time in public housing, whether the individual was always in public housing, families with children who need special education, with children with health limits, and children in therapy, whether the family has a one child under age six, and whether the family has more than one child under the age of six, the type of sector the person is working in (private or government). Note, that the models were run a number of different ways, with similar results. The variable indicating whether the individual was not working in the first 3 months after welfare was excluded from some models to determine the effects of the variable for no work in the 18 month period after welfare. The results did not differ substantially from what is reported in the table.

Appendix

**Table A.1
Variable Names, Descriptions, Mean Values and Standard Deviations**

		AFDC			Food Stamps		
		During Welfare Spell	12 Month Period After Welfare	18 Month Period After Welfare	During FS Spell	12 Month Period After FS	18 Months After FS
Name	Description	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)
		N=59,609 (3,001 Spells)	N=974	N=736	N=141,534 (7,771 spells)	n=2,896	n=2,039
Median Spell Length (in months) for those with completed spells (n=1,437 for AFDC; n=4,112 for FS)		20			15		
Race/ethnicity							
BLACK	Is the person an African American?	.394 (.488)	.302 (.459)	.264 (.438)	.317 (.464)	.225 (.417)	.218 (.413)
WHITE	Is the person White?	.365 (.481)	.505 (.500)	.536 (.496)	.463 (.497)	.587 (.493)	.602 (.490)
NATAM	Is the person Native American?	.013 (.114)	.022 (.147)	.016 (.123)	.012 (.109)	.018 (.135)	.016 (.124)
HISPANIC	Is the Person Hispanic?	.193 (.396)	.154 (.362)	.163 (.367)	.179 (.383)	.154 (.361)	.151 (.359)
ASIAN	Is this person Asian American?	.032 (.177)	.017 (.129)	.021 (.144)	.029 (.167)	.016 (.124)	.014 (.117)
Relationship to the head of household.							
WIFE	Is this person currently a wife?	.070 (.254)	.164 (.370)	.157 (.361)	.082 (.274)	.158 (.365)	.152 (.360)
CHILD	Is this person currently a child, living with parents?	.178 (.382)	.188 (.391)	.185 (.386)	.122 (.326)	.127 (.333)	.128 (.334)
GRCHILD	Is this person a grand child?	.006 (.074)	.017 (.130)	.024 (.154)	.021 (.142)	.041 (.198)	.046 (.210)
HEAD	Is this person the head of household?	.713 (.452)	.592 (.491)	.588 (.489)	.758 (.427)	.666 (.475)	.654 (.476)
OTHREL	Relationships other than wife, child, grandchild, or head.	.034 (.181)	.039 (.193)	.046 (.208)	.017 (.130)	.019 (.135)	.020 (.139)
Marital Status							
MARRIED	Is this person married?	.134 (.341)	.261 (.439)	.253 (.432)	.231 (.421)	.403 (.491)	.403 (.491)
NEVMARR	Is this person never been married?	.486 (.500)	.363 (.481)	.355 (.476)	.317 (.464)	.236 (.425)	.236 (.425)
WIDOW	IS this person a widow?	.040 (.181)	.036 (.186)	.035 (.183)	.133 (.339)	.082 (.285)	.082 (.275)
DIV	IS this person divorce?	.203 (.402)	.206 (.404)	.215 (.408)	.206 (.403)	.190 (.393)	.190 (.393)
SEP	Is this person separated?	.137 (.344)	.134 (.341)	.141 (.346)	.114 (.316)	.087 (.282)	.089 (.285)
MARRGES	Number of marriages.	.615 (.711)	.779 (.779)	.785 (.760)	.849 (.757)	.956 (.784)	.971 (.788)
Other personal variables							
Female	Gender of Female	...	...	...	.202 (.401)	.342 (.475)	.357 (.480)
KIDSU18	The number of children under the age of 18 in the household.	1.300 (1.585)	2.055 (1.391)	2.043 (1.318)	.892 (1.430)	1.4 (1.397)	1.4 (1.379)

		AFDC			Food Stamps		
		During Welfare Spell	12 Month Period After Welfare	18 Month Period After Welfare	During FS Spell	12 Month Period After FS	18 Months After FS
Name	Description	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)
UNDER61	One child under the age of 6.	.394 (.488)	.395 (.451)	.389 (.432)	.259 (.437)	.254 (.405)	.245 (.386)
UNDER62	More than one child under the age of 6.	.225 (.418)	.146 (.330)	.154 (.327)	.148 (.354)	.104 (.286)	.103 (.278)
MOREKIDS	More kids than in the last year of welfare	...	.234 (.423)	.244 (.427)	...	.135 (.342)	.149 (.357)
FEWKIDS	Fewer kids than in the last year of welfare	...	.232 (.422)	.264 (.438)	...	.251 (.434)	.271 (.445)
AGEBS1	Age at the beginning of the AFDC spell/After welfare.	30.4 (10.0)	31.4 (10.7)	31.2 (10.4)	40.3 (17.6)	38.4 (15.7)	38.5 (15.7)
Current Training and Education/At the Beginning of Time After Welfare							
JTPA1	Is person currently receiving training as part of the Job Training Partnership Act?	.005 (.068)	.007 (.085)	.006 (.079)	.003 (.055)	.002 (.043)	.001 (.037)
PAIDSCHL	Is the individual currently receiving any financial aid?	.091 (.288)	.083 (.276)	.093 (.288)	.054 (.225)	.051 (.219)	.052 (.222)
CWS	Currently College Work Study?	.002 (.045)	.003 (.057)	.003 (.059)	.001 (.032)	.002 (.042)	.002 (.044)
PELLGRNT	Is the individual currently receiving a Pell Grant?	.063 (.243)	.050 (.219)	.058 (.233)	.036 (.185)	.032 (.177)	.034 (.181)
SEOG	Supplemental educational opportunity grant?	.008 (.090)	.004 (.062)	.005 (.073)	.005 (.068)	.003 (.050)	.004 (.059)
GSL	Currently Receiving a Guaranteed Student Loan?	.017 (.129)	.014 (.117)	.014 (.117)	.010 (.101)	.014 (.116)	.016 (.124)
NDSL	Currently Receiving National Direct Student Loan?	.004 (.059)	0	0	.002 (.048)	0	0
SCHFULL	Full time student?	.109 (.312)	.005 (.033)	.005 (.026)	.060 (.237)	.003 (.031)	.003 (.024)
SCHPART	Part time student?	.049 (.215)	.004 (.028)	.004 (.022)	.030 (.169)	.002 (.019)	.002 (.015)
ELEMENT	Does this person have less than 9 years of education?	.130 (.337)	.114 (.317)	.114 (.316)	.224 (.416)	.166 (.372)	.164 (.371)
DROPOUT	Does this person have at least 9 years of education but did not finish high school?	.326 (.469)	.251 (.433)	.259 (.435)	.283 (.449)	.231 (.422)	.236 (.425)
HSG	Is this person a high school graduate only?	.342 (.474)	.381 (.485)	.372 (.480)	.324 (.467)	.375 (.484)	.366 (.482)
SCOLLEGE	Has this person attended college without a degree?	.139 (.337)	.230 (.521)	.228 (.417)	.112 (.315)	.193 (.395)	.196 (.398)
COLLEGE	Has this person received a college degree?	.014 (.117)	.025 (.155)	.207 (.161)	.022 (.147)	.034 (.181)	.038 (.190)
Any special needs of the Children of the Individual.							
CHTHRPY	Is a child of the individual receiving therapy or diagnostic services for developmental needs?	.036 (.189)	.030 (.172)	.028 (.163)	.020 (.138)	.018 (.134)	.021 (.143)
SPECED	Is the child of the individual receiving special education services?	.091 (.287)	.074 (.262)	.075 (.262)	.055 (.227)	.039 (.193)	.034 (.183)
CHHLTLIM	Does a child (under age 6) of the individual have health limitations in the usual kind of activities for children this age?	.030 (.170)	.030 (.173)	.028 (.164)	.017 (.130)	.018 (.133)	.019 (.136)
	Difficulty with school work because of physical,						

		AFDC			Food Stamps		
		During Welfare Spell	12 Month Period After Welfare	18 Month Period After Welfare	During FS Spell	12 Month Period After FS	18 Months After FS
Name	Description	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)
SCHDIF	learning or mental health conditions.	.093 (.290)	.091 (.288)	.093 (.289)	.057 (.232)	.045 (.207)	.042 (.201)
Current State conditions/REGION							
STATEUN	Current state unemployment rate.	6.876 (1.535)	6.655 (1.389)	6.654 (1.339)	6.8 (1.5)	6.7 (1.4)	6.7 (1.3)
STATEWEL	Current state welfare maximum for a family of four.	505.1 (203.5)	620.9 (275.3)	637.4 (276.1)	530.4 (234.9)	606 (270)	617 (270)
MEDIAN	State Median Income in 1990	42500 (5593)	41220 (4827)	41399 (4716)	41361 (5835)	40816 (4975)	40906 (4901)
SOUTH	South region	.30 (.46)	.40 (.48)	.37 (.48)	.40 (.49)	.41 (.49)	.40 (.49)
WEST	West region	.22 (.41)	.21 (.41)	.22 (.41)	.16 (.36)	.19 (.39)	.19 (.39)
NORTHC	North Central region	.27 (.44)	.27 (.44)	.26 (.44)	.23 (.42)	.23 (.42)	.23 (.43)
NE	Northeast region	.24 (.43)	.13 (.33)	.13 (.34)	.24 (.42)	.16 (.37)	.17 (.37)
Coverage in other government sponsored programs / % of time Receiving After Welfare/FS							
AFDCCOV	AFDC coverage	1	.152 (.298)	.159 (.289)	.408 (.490)	.105 (.215)	.060 (.196)
WICCOV	Women, Infants and Children coverage.	.060 (.238)	.042 (.149)	.038 (.125)	.035 (.184)	.017 (.100)	.016 (.086)
FSCOV	Food stamp coverage	.884 (.320)	.398 (.412)	.392 (.392)	1	.168 (.309)	.149 (.258)
GACOV	General Assistance coverage	.006 (.079)	.019 (.116)	.017 (.103)	.057 (.231)	.018 (.101)	.018 (.099)
FKCOV	Foster kid coverage	.002 (.047)	.001 (.025)	0	.001 (.036)	0	0
OWCOV	Other welfare coverage	.011 (.104)	.016 (.109)	.011 (.083)	.016 (.124)	.009 (.077)	.008 (.069)
Income Received or Poverty / Avg for After							
ALIMONY	Current alimony payments received	.136 (9.417)	1.7 (33.5)	2.4 (40.6)	.728 (26.5)	1.6 (29.8)	1.6 (31.2)
CHLDSPT	Current child support payments received	13.1 (56.8)	43.7 (139.0)	48.8 (153.6)	16.7 (85.2)	29.7 (114.2)	31.9 (120.7)
AFDCAMT	Amount of AFDC income	425 (227)	43 (50)	50 (103)	182 (266)	25 (94)	26 (97)
OTHWLAMT	Amount of other welfare income	2 (28)			4 (43)		
FSINC	Current Food Stamp income.	225 (138)	96.0 (115.5)	97.4 (111.8)	199.6 (136.9)	35 (76)	36 (73)
LUMPSUM	Current lump sum payments received.	2.3 (178.7)	2.0 (46.0)	1.3 (31.0)	1.9 (187.3)	4.6 (86.2)	4.9 (85.1)
PEREARN	Personal Earnings	77 (299)	474 (562)	488 (563)	120 (330)	522 (637)	549 (662)
FAMINC	Family Income	1003 (1198)	1546 (1382)	1583 (1458)	885 (978)	1507 (1169)	1538 (1195)
FMNS	Family Income-to-needs	.82 (.84)	1.17 (.906)	1.19 (.912)	.86 (.74)	1.31 (.823)	1.34 (.804)
POVER	In Poverty?	.78 (.42)	.53 (.391)	.51 (.378)	.76 (.42)	.41 (.380)	.39 (.366)
Housing							
PUBHOUSE	Is this person currently living in public housing?	.180 (.384)	.122 (.327)	.131 (.336)	.162 (.368)	.086 (.280)	.085 (.279)
LOWRENT	Does this person currently live in a subsidized housing unit (federal, state or local subsidy)?	.164 (.370)	.099 (.299)	.090 (.284)	.127 (.332)	.067 (.251)	.063 (.244)

		AFDC			Food Stamps		
		During Welfare Spell	12 Month Period After Welfare	18 Month Period After Welfare	During FS Spell	12 Month Period After FS	18 Months After FS
Name	Description	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)
PUBHTIME	Total number of months lived in public housing.	14.3 (38.3)	8.5 (32.2)	9.2 (35.6)	15.3 (47.0)	6.6 (29.1)	6.0 (26.2)
ALWPUBHS	Has this person always lived in public housing?	.019 (.138)	.009 (.092)	.005 (.073)	.010 (.099)	.003 (.058)	.004 (.060)
Private health insurance							
PRIHLTHE	Paid by employer	.021 (.144)	.085 (.279)	.082 (.272)	.039 (.193)	.134 (.343)	.146 (.354)
HELTHANY	Any health insurance	.084 (.277)	.286 (.633)	.280 (.627)	.107 (.308)	.384 (.728)	.405 (.744)
Work Experience/ Limitations							
YRSEXP	Years of working more than 6 months or more out of the year			2.08 (4.27)			
Worklim	Is this individual physically, mentally or otherwise have a health condition that limits the amount of work he/she can do?	.180 (.384)	.157 (.364)	.153 (.358)	.272 (.444)	.229 (.420)	.230 (.421)
Time on AFDC to date							
TIME1	1-3 months	.004 (.061)	.003 (.051)	.004 (.060)	.108 (.310)	.210 (.407)	.230 (.421)
TIME2	4-6 months	.015 (.120)	.044 (.205)	.062 (.241)	.121 (.325)	.261 (.439)	.287 (.453)
TIME3	7-9 months	.021 (.144)	.054 (.226)	.077 (.264)	.102 (.302)	.146 (.353)	.169 (.375)
TIME4	10-12 months	.027 (.161)	.101 (.301)	.143 (.347)	.089 (.284)	.105 (.307)	.110 (.313)
TIME5	13-18 months	.074 (.262)	.169 (.375)	.184 (.385)	.162 (.367)	.244 (.430)	.257 (.437)
TIME6	19-24 months	.091 (.288)	.187 (.390)	.081 (.271)	.157 (.363)	.204 (.403)	.024 (.154)
TIME7	25-36 months	.185 (.388)	.120 (.325)	.139 (.344)	.261 (.438)	.028 (.166)	.009 (.097)
TIME8	37-48 months	.084 (.277)	.066 (.248)	.064 (.243)	.029 (.166)	.010 (.097)	.007 (.085)
TIME9	49-60 months	.080 (.271)	.055 (.228)	.055 (.227)	.017 (.129)	.008 (.088)	.006 (.079)
TIME10	61-72 months	.068 (.252)	.035 (.185)	.033 (.179)	.014 (.118)	.003 (.053)	.002 (.041)
TIME11	73-84 months	.056 (.229)	.031 (.172)	.027 (.162)	.013 (.112)	.003 (.053)	.003 (.056)
TIME12	85-96 months	.045 (.207)	.021 (.145)	.019 (.137)	.011 (.102)	.003 (.053)	.004 (.060)
TIME13	>96 months	.251 (.433)	.113 (.316)	.111 (.312)	.053 (.224)	.010 (.101)	.010 (.098)
PREVTIME	Previous number of months on AFDC/FS before the current spell.	8.3 (27.5)	7.9 (23.9)	8.1 (25.6)	5.1 (21.5)	3.4 (16.3)	3.4 (16.6)
AFDC1	Total time on AFDC, including all spells		51.2 (55.4)	50.3 (56.9)			
Current Year or Year Ended Spell							
YR89	Current Year is 1989.	.012 (.110)	.007 (.086)	.010 (.101)	.012 (.108)	.006 (.075)	.008 (.088)
YR90	Current Year or Year Spell Ended is 1990.	.113 (.316)	.136 (.343)	.190 (.390)	.107 (.309)	.140 (.347)	.193 (.395)
YR91	Current Year or Year Spell Ended is 1991.	.189 (.391)	.191 (.393)	.162 (.366)	.182 (.385)	.187 (.390)	.162 (.369)

		AFDC			Food Stamps		
		During Welfare Spell	12 Month Period After Welfare	18 Month Period After Welfare	During FS Spell	12 Month Period After FS	18 Months After FS
Name	Description	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)
YR92	Current Year or Year Spell Ended is 1992.	.230 (.420)	.238 (.425)	.261 (.436)	.233 (.422)	.240 (.427)	.255 (.437)
YR93	Current Year or Year Spell Ended is 1993.	.223 (.416)	.286 (.452)	.296 (.454)	.232 (.421)	.298 (.458)	.308 (.462)
YR94	Current Year or Year Spell Ended is 1994.	.163 (.369)	.142 (.349)	.081 (.271)	.163 (.368)	.129 (.336)	.074 (.263)
YR95	Current Year or Year Spell Ended is 1995.	.069 (.254)	0	0	.072 (.257)	0	0
Has the individual EVER received training/assistance in specific areas							
JTPA	Job Training Partnership Program participant, before survey started	.059 (.236)	.070 (.255)	.067 (.249)	.046 (.211)	.047 (.213)	.050 (.219)
JOBSKTR	Job skills classroom training	.175 (.380)	.185 (.388)	.195 (.394)	.153 (.349)	.160 (.366)	.165 (.372)
BASSKTR	Basic skills classroom training	.036 (.186)	.035 (.184)	.034 (.179)	.029 (.168)	.027 (.163)	.027 (.161)
JSA	Job Search Assistance training	.033 (.178)	.041 (.198)	.041 (.198)	.024 (.152)	.029 (.167)	.029 (.168)
OTJTR	On the Job Training	.060 (.238)	.084 (.277)	.074 (.260)	.057 (.232)	.073 (.260)	.061 (.239)
JTWE	Job Training, work experience	.017 (.128)	.021 (.142)	.017 (.130)	.013 (.115)	.018 (.133)	.017 (.129)
JTOS	Job training, other sources	.014 (.117)	.023 (.150)	.025 (.155)	.013 (.114)	.015 (.122)	.015 (.124)
JTAPP	Job training, apprenticeship	.003 (.052)	.007 (.081)	.008 (.086)	.004 (.062)	.007 (.084)	.009 (.095)
JTBCV	Job training, business, commercial, vocational	.092 (.290)	.096 (.294)	.014 (.303)	.069 (.252)	.083 (.277)	.086 (.280)
JTCC	Job training at community college	.023 (.150)	.029 (.167)	.033 (.177)	.020 (.140)	.027 (.161)	.025 (.156)
JT4C	Job Training at 4 year college	.002 (.045)	.003 (.059)	.001 (.034)	.004 (.064)	.004 (.060)	
JTHSV	Job training, high school vocational	.021 (.144)	.027 (.167)	.023 (.149)	.016 (.127)	.016 (.125)	.016 (.125)
JTWORK	Job training at work	.033 (.178)	.034 (.182)	.032 (.176)	.032 (.174)	.044 (.205)	.037 (.188)
JTWEKES	Job training weeks	5.5 (16.0)	6.6 (18.3)	6.4 (16.9)	4.8 (15.8)	5.8 (19.0)	5.6 (18.1)
JTPAIDS	Job training paid by self	.036 (.186)	.053 (.223)	.053 (.223)	.038 (.191)	.052 (.223)	.050 (.219)
JTPAIDE	Job training paid by employer	.029 (.168)	.040 (.197)	.039 (.191)	.030 (.170)	.052 (.221)	.047 (.213)
JTPAIDG	Job training paid by government	.187 (.390)	.187 (.390)	.183 (.384)	.143 (.349)	.131 (.338)	.130 (.337)
JTPAIDSE	Job training paid by someone else	.011 (.103)	.014 (.117)	.012 (.109)	.009 (.093)	.010 (.098)	.011 (.102)
Type of AFDC/FS Exit							
MARREX	Marriage exit	.002 (.040)	.073 (.261)	.074 (.259)	.001 (.035)	.042 (.200)	.037 (.188)
PEARNEX	Increased earnings exit of the individual	.008 (.090)	.346 (.475)	.346 (.473)	.010 (.099)	.344 (.475)	.340 (.474)
FEARNEX	Increased earnings of the family	.003 (.057)	.143 (.350)	.126 (.330)	.004 (.066)	.140 (.347)	.134 (.341)
OTHEX	Other types of exits	.011 (.104)	.438 (.496)	.045 (.495)	.014 (.119)	.475 (.500)	.489 (.501)
Marriage and Earnings Status at Exit							
EXIT1	MARRIED, NO PERSONAL EARNINGS,		.15 (.36)	.16 (.37)			

		AFDC			Food Stamps		
		During Welfare Spell	12 Month Period After Welfare	18 Month Period After Welfare	During FS Spell	12 Month Period After FS	18 Months After FS
Name	Description	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)
	POSITIVE FAMILY EARNINGS						
EXIT2	MARRIED, NO PERSONAL EARNINGS, NO FAMILY EARNINGS		.18 (.38)	.23 (.41)			
EXIT3	MARRIED, PERSONAL EARNINGS, REST OF FAMILY EARNINGS > PERSONAL EARNINGS		.06 (.14)	.06 (.24)			
EXIT4	MARRIED, PERSONAL EARNINGS, PERSONAL EARNINGS > REST OF FAMILY EARNINGS		.14 (.07)	.19 (.39)			
EXIT5	NOT MARRIED, NO PERSONAL EARNINGS, POSITIVE FAMILY EARNINGS		.07 (.26)	.05 (.21)			
EXIT6	NOT MARRIED, NO PERSONAL EARNINGS, NO FAMILY EARNINGS		.20 (.40)	.15 (.36)			
EXIT7	NOT MARRIED, PERSONAL EARNINGS, REST OF FAMILY EARNINGS > PERSONAL EARNINGS		.03 (.17)	.02 (.13)			
EXIT8	NOT MARRIED, PERSONAL EARNINGS, REST OF FAMILY EARNINGS < PERSONAL EARNINGS		.17 (.37)	.14 (.35)			
After AFDC/FS Exit Only Variables							
	First Occupation After AFDC/FS						
PROF	Professional		.039 (.194)	.044 (.204)		.039 (.194)	.042 (.201)
TECHNIC	Technical		.012 (.112)	.010 (.099)		.009 (.096)	.010 (.099)
SALES	Sales		.103 (.304)	.104 (.303)		.070 (.255)	.075 (.265)
SERVICE	Service		.114 (.317)	.115 (.317)		.085 (.278)	.091 (.288)
MAID	Maid		.037 (.189)	.037 (.188)		.35 (.184)	.040 (.197)
PERSSRV	Personal Services		.035 (.182)	.037 (.187)		.017 (.128)	.019 (.137)
LABORER	Laborer		.109 (.312)	.109 (.309)		.157 (.364)	.153 (.360)
HLTHSERV	Health Services		.068 (.252)	.073 (.258)		.041 (.198)	.047 (.212)
CLERICAL	Clerical		.111 (.314)	.119 (.329)		.072 (.258)	.070 (.256)
CONSTRUC	Construction		...	...		.015 (.120)	.015 (.121)
FARMING	Farming		...	...		.029 (.168)	.032 (.176)
NOJOB	No job in the first 12/18 months after exit		.340 (.474)	.317 (.462)		.404 (.491)	.378 (.462)
SUPERVIS	Supervisory		...	...		.001 (.029)	.001 (.028)
OTHEROCC	Other Occupations (for AFDC exits only) B construction, supervisory, operators, and precision workers.		.031 (.174)	.034 (.181)		...	...

		AFDC			Food Stamps		
		During Welfare Spell	12 Month Period After Welfare	18 Month Period After Welfare	During FS Spell	12 Month Period After FS	18 Months After FS
Name	Description	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)
PRIVPROF	Private, for profit firms		.539 (.498)	.571 (.492)		.500 (.500)	.528 (.500)
PRIVNON	Private, nonprofit firms		.030 (.172)	.030 (.170)		.026 (.158)	.025 (.157)
GOV	Government		.086 (.281)	.079 (.268)		.069 (.254)	.067 (.251)
After AFDC/FS Variables							
MNTHDCAF	% of months receiving AFDC after exit		.152 (.298)	.159 (.289)		.105 (.215)	.060 (.196)
MNTHFSAF	% of months receiving Food Stamps after exit		.398 (.412)	.392 (.391)		.168 (.309)	.149 (.258)
MNTHSWK	% of months Working after exit		.488 (.432)	.481 (.414)		.462 (.444)	.464 (.436)
HRSA2	Avg. number of hours/week of work after exit		17.2 (16.8)	17.1 (16.1)		17.5 (18.1)	17.6 (17.7)
HRSA2	Avg. number of hours/wk for those who work		26.5 (13.8)	25.1 (13.6)		29.7 (14.1)	28.4 (14.3)
H20AF	Avg. number of weeks working 20+ hours		.460 (.426)	.453 (.407)			
H35AF	Avg. Number of weeks working 35+ hours		.329 (.396)	.331 (.380)			
HW20AF	Avg. Number of weeks working 20+ hours and earning at least \$8/hr		.073 (.225)	.100 (.250)			
HW35AF	Avg. Number of weeks working 35+ hours and earning at least \$8/hr		.093 (.255)	.082 (.226)			
WAGEAF	Avg. Wage for months worked after exit		6.757 (3.015)	6.798 (2.749)		7.16 (3.03)	7.31 (3.03)
POVHALF	Avg. Family income-to-needs <.5		.185 (.388)	.166 (.369)		.095 (.295)	.080 (.273)
POVYES	Avg. Family income-to-needs <1.0		.353 (.477)	.349 (.473)		.388 (.489)	.367 (.484)
POV15	Avg. Family income-to-needs >=1.5		.239 (.426)	.243 (.426)		.279 (.449)	.298 (.458)
AFDCEND	Percentage receiving AFDC payments after 12/18 months after exit		.190 (.392)	.173 (.376)		.070 (.255)	.068 (.252)
WORKEND	Percentage in market work 12/18 months after exit		.493 (.500)	.470 (.496)		.466 (.499)	.465 (.499)
FOODEND	Percentage receiving Food Stamps 12/18 months after exit		.416 (.493)	.394 (.485)		.203 (.402)	.209 (.407)
POVEND	% in poverty 12/18 months after exit		.499 (.500)	.454 (.495)		.394 (.489)	.369 (.483)
HEALTHEND	% with private health insurance 12/18 months after exit		.262 (.439)	.297 (.454)		.296 (.457)	.316 (.466)

Table A.2
Regressions for AFDC Recipients After Exiting AFDC

	Likelihood that Avg. Family Income-to-Needs<.5		Likelihood that Avg. Family Income-to-Needs<1.0		Likelihood that Avg. Family Income-to-Needs>=1.5	
	After 12 Months	After 18 Months	After 12 Months	After 18 Months	After 12 Months	After 18 Months
	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6
RACE (WHITE OMITTED)						
BLACK	-.058 (.296)	.501 (.429)	.210 (.221)	.140 (.291)	-.003 (.270)	-.279 (.372)
NATAM	-.552 (.944)	...	-.447 (.587)	-.348 (.866)	-.965 (.746)	-.661 (1.059)
HISPANIC	.229 (.369)	1.596 (.487)a	.547 (.255)c	.659 (.323)c	-.690 (.329) ^e	-.379 (.405)
ASIAN	-.002 (.873)	2.350 (1.110)c	.531 (.739)	1.237 (.855)	-2.872 (1.033) ^b	-2.325 (.145)c
RELATIONSHIP TO HEAD (HEAD OMITTED)						
WIFE	-.325 (.411)	-.191 (.530)	-.611 (.292)c	-.318 (.376)	.500 (.345)	.808 (.450)d
CHILD	-2.359 (.542)a	-4.561 (1.240)a	-.892 (.303)b	-.806 (.387)c	.694 (.350) ^e	1.196 (.459)b
GRCHILD	.477 (.846)	1.042 (.870)	.783 (.619)	.575 (.661)	.513 (.671)	.424 (.815)
OTHREL	1.955 (.533)a	1.504 (.581)b	-.151 (.449)	.213 (.536)	-.762 (.743)	-.530 (.843)
PERSONAL VARIABLES						
KIDSU18	.347 (.105)a	.034 (.149)	.420 (.083)a	.275 (.107)b	-.526 (.111) ^a	-.292 (.144)c
UNDER61	.328 (.313)	.143 (.449)	.241 (.234)	-.020 (.313)	-.184 (.283)	-.499 (.400)
UNDER62	-.478 (.428)	-.224 (.559)	-.048 (.323)	-.031 (.415)	-.472 (.428)	-.916 (.560)d
MOREKIDS	-.088 (.308)	-.651 (.407)	.036 (.227)	.233 (.281)	.179 (.276)	.585 (.345)d
FEWKIDS	.529 (.331)	.090 (.429)	.544 (.248)c	.788 (.294)b	-.143 (.288)	-.333 (.362)
AGEBS1	-.021 (.014)	-.048 (.020)b	-.019 (.011)d	-.039 (.013)b	.020 (.013)	.049 (.017)b
SCHOOLING						
PAIDSCHL	-.084 (1.015)	-2.714 (1.851)	.401 (.789)	-2.145 (1.081)	.537 (.839)	3.070 (1.280)c
SCHFULL	2.133 (.988)c	2.135 (1.791)	.087 (.738)	1.890 (1.016)d	-.170 (.751)	-2.668 (1.192)c
SCHPART	2.131 (.929)c	1.747 (.1390)	.654 (.761)	2.001 (.967)c	-.933 (.907)	-1.548 (1.133)
HSG	-.094 (.276)	-.269 (.358)	-.081 (.205)	-.626 (.256)b	.491 (.261) ^d	.546 (.330)d
SCOLLEGE	-.559 (.359)	-.232 (.475)	-.523 (.249)c	-.920 (.323)b	.831 (.298) ^b	.747 (.392)d
COLLEGE	-.041 (.930)	1.829 (1.017)	-.710 (.610)	-1.256 (.707)d	.372 (.689)	-.140 (.860)
CHILD PROBLEMS /WORK LIMITATIONS						
CHTHRPY	-.706 (.836)	-2.608 (1.636)	-.143 (.575)	.230 (.835)	-.430 (.669)	.139 (1.035)
SPECED	.435 (.619)	-.534 (.833)	.416 (.442)	-.047 (.603)	.344 (.553)	2.191 (.773)b
CHHLTLIM	-.013 (.794)	.722 (1.183)	.184 (.581)	.429 (.805)	.932 (.646)	-.596 (.976)
SCHDIF	-.507 (.599)	.602 (.809)	.035 (.410)	.787 (.562)	-.206 (.514)	-2.640 (.787)a

	Likelihood that Avg. Family Income-to-Needs<.5		Likelihood that Avg. Family Income-to-Needs<1.0		Likelihood that Avg. Family Income-to-Needs>=1.5	
	After 12 Months	After 18 Months	After 12 Months	After 18 Months	After 12 Months	After 18 Months
	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6
WORK EXPERIENCE/LIMITATIONS						
YEARS OF WORK EXPERIENCE	.044 (.029)	.016 (.041)	-.003 (.020)	.003 (.027)	-.038 (.024)	-.004 (.003)
WORKLIM	-.667 (.323)c	-.647 (.453)	.124 (.250)	.316 (.320)	-.191 (.316)	-.624 (.417)
STATE CONDITIONS/REGION (SOUTH OMITTED)						
STATEUN	-.024 (.105)	.105 (.142)	.105 (.074)	.219 (.095)c	-.122 (.088)	-.278 (.119)c
STATEWEL (000)	.380 (.894)	-.124 (1.130)	-.510 (.608)	-1.110 (.789)	1.210 (.728) ^d	1.720 (.962)d
MEDIAN INC (000)	-.040 (.040)	-.070 (.050)	-.100 (.027)a	-.090 (.036)b	.075 (.031)c	.089 (.042)c
WEST	-1.224 (.558)c	-.709 (.726)	-.460 (.364)	-.350 (.464)	.154 (.442)	-.150 (.572)
NORTHEAST	-.226 (.550)	.684 (.742)	.394 (.404)	-.184 (.528)	.032 (.489)	-.216 (.656)
NORTH CENTRAL	.027 (.390)	-.202 (.534)	.062 (.283)	.106 (.364)	-.277 (.343)	-.509 (.452)
PUBLIC/SUBSIDIZED HOUSING						
LOWRENT	1.099 (.377)b	1.046 (.548)d	.939 (.314)b	1.298 (.419)b	-.157 (.395)	.049 (.506)
PUBHOUSE	.790 (.373)b	1.199 (.472)b	.411 (.293)	.231 (.361)	-.619 (.429)	-1.093 (.624)d
PUBHTIME	-.001 (.004)	-.009 (.006)	-.002 (.003)	-.001 (.004)	.000 (.004)	.006 (.005)
TRAINING RECEIVED						
JTPA	-.585 (.619)	.316 (.863)	-.070 (.407)	.206 (.529)	.241 (.497)	-.228 (.718)
JOBSKTR	-.361 (.628)	-1.419 (1.096)	-.079 (.376)	-.799 (.549)	.956 (.450) ^c	1.354 (.672)c
BASSKTR	-2.435 (1.058)c	-2.127 (1.301)d	.110 (.496)	.644 (.683)	-.123 (.648)	-.315 (.951)
JSA	-3.205 (1.483)c	-3.040 (1.573)c	-.771 (.471)d	-.734 (.621)	.928 (.528)d	1.345 (.723)d
OTJIR	.561 (.608)	.110 (.917)	.483 (.382)	.429 (.527)	-.102 (.459)	.472 (.652)
JTWE	-.841 (.965)	.709 (1.419)	-.712 (.654)	.071 (1.047)	.140 (.827)	1.275 (1.169)
JTOS	.398 (1.057)	-1.332 (1.602)	-.272 (.621)	-1.117 (.874)	.316 (.676)	-.571 (1.033)
JTAPP	-.436 (1.817)	.199 (2.217)	-.636 (1.112)	-.829 (1.325)	.475 (1.244)	-.818 (1.676)
JTBCV	-.501 (.643)	-.497 (.900)	-.492 (.396)	-.235 (.528)	.129 (.477)	-.231 (.693)
JICC	.268 (.777)	.145 (1.014)	.249 (.538)	.204 (.653)	.390 (.634)	.304 (.947)
JTHSV	-.296 (.870)	.743 (1.321)	.704 (.619)	.469 (.835)	-1.919 (.996) ^c	-1.044 (1.095)
JTWORK	-.005 (.873)	-.927 (1.336)	.003 (.564)	1.086 (.769)	-.664 (.738)	-1.135 (.910)
JTWEKES	.009 (.011)	.003 (.016)	-.009 (.007)	.000 (.010)	.002 (.008)	.002 (.012)
JTPAIDS	.903 (.848)	2.451 (1.292)d	.092 (.525)	.561 (.769)	-.737 (.636)	-1.329 (.942)
JTPAIDE	-.182 (1.043)	1.691 (1.432)	-.092 (.606)	.341 (.784)	-.521 (.709)	-.926 (.934)
JTPAIDG	.543 (.718)	.916 (1.184)	-.022 (.426)	-.019 (.616)	-.811 (.497)d	-1.599 (.751)

	Likelihood that Avg. Family Income-to-Needs<.5		Likelihood that Avg. Family Income-to-Needs<1.0		Likelihood that Avg. Family Income-to-Needs>=1.5	
	After 12 Months	After 18 Months	After 12 Months	After 18 Months	After 12 Months	After 18 Months
	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6
MARITAL STATUS AND EARNINGS AT EXIT (MARRIED, WITH NO PERSONAL EARNINGS, FAMILY EARNINGS IS EXCLUDED)						
EXIT2	1.899 (.479)a	2.882 (.711)a	1.521 (.323)a	1.660 (.387)a	-1.995 (.395)a	-2.036 (.463)a
EXIT3	1.402 (.977)	2.753 (1.492)d	-.154 (.495)	-.396 (.688)	.196 (.473)	.021 (.608)
EXIT4	1.547 (.594)b	3.275 (.865)a	1.272 (.367)a	1.904 (.457)a	-2.183 (.442)a	-2.563 (.562)a
EXIT5	.849 (.767)	2.951 (1.457)c	-.454 (.422)	-.630 (.624)	-.438 (.456)	-.433 (.647)
EXIT6	1.999 (.537)a	3.247 (.810)a	1.346 (.346)a	1.653 (.453)a	-2.503 (.452)a	-2.227 (.562)a
EXIT7	....	...	-.679 (.627)	1.141 (.988)	-.141 (.611)	.343 (.939)
EXIT8	1.896 (.604)b	3.910 (.906)a	1.291 (.372)a	2.051 (.491)a	-2.264 (.450)a	-2.794 (.629)a
1ST OCCUPATION AFTER EXIT (CLERICAL OMITTED)						
PROF	-1.083 (1.375)	...	-.057 (.493)	-.404 (.601)	-.664 (.530)	-.072 (.632)
TECHNIC	1.259 (1.102)	1.263 (1.423)	-.960 (.869)	1.204 (1.115)	-1.307 (.905)	-1.865 (1.247)
SALES	1.501 (.651)c	2.045 (.770)b	1.076 (.369)b	1.002 (.471)c	-1.053 (.403) ^b	-1.104 (.531)c
SERVICE	1.363 (.635)c	.299 (.797)	.808 (.361)c	.924 (.450)c	-1.068 (.410) ^b	-1.050 (.523)c
MAID	1.729 (.781)c	1.930 (.948)c	1.024 (.512)c	1.092 (.641)d	-1.383 (.656) ^c	-4.700 (1.420)a
PERSSRV	-.778 (1.160)	-.096 (1.139)	1.540 (.522)b	1.417 (.641)c	-1.210 (.630)c	-1.488 (.857)d
LABORER	.778 (.667)	-.221 (.812)	.220 (.366)	.022 (.465)	-1.393 (.420) ^a	-1.345 (.563)c
HLTHSERV	.184 (.735)	.408 (.867)	.138 (.404)	.359 (.508)	-1.310 (.474) ^b	-.712 (.551)
OTHEROCC	.894 (.879)	-.074 (1.073)	.682 (.524)	1.496 (.656)c	-.792 (.622)	-3.071 (1.175)b
NOJOB3	1.226 (.346)a	1.757 (.540)a	.942 (.272)a	.919 (.351)b	-.879 (.346)b	-.870 (.428)c
NOJOB	2.405 (.619)a	2.295 (.766)b	1.515 (.352)a	1.971 (.458)a	-1.913 (.413) ^a	-2.118 (.539)a
ECONOMIC SECTOR (PRIVATE FOR-PROFIT OMITTED)						
PRIVNON	-1.291 (.802)	...	-.079 (.501)	-.223 (.641)	-.199 (.620)	.030 (.858)
GOV	-1.330 (.717)d	-.586 (.858)	-.440 (.323)	-.433 (.430)	.304 (.364)	.023 (.491)
SPELL LENGTH (TIME 1-3 (MONTHS) OMITTED)						
TIME4	-.469 (.537)	-.586 (.606)	.270 (.396)	-.013 (.443)	-.720 (.467)	-1.401 (.530)b
TIME5	-.197 (.492)	-.642 (.627)	.124 (.363)	-.771 (.439)	-.270 (.411)	-.423 (.502)
TIME6	-.618 (.501)	-.504 (.711)	.019 (.362)	.151 (.492)	-.638 (.408)	-.754 (.549)
TIME7	-.896 (.505)	-.891 (.600)	.090 (.370)	-.499 (.422)	-.069 (.418)	-.648 (.474)
TIME8	-.640 (.625)	-.346 (.692)	-.103 (.433)	-.389 (.516)	-.664 (.511)	-1.158 (.646)d
TIME9	-.797 (.624)	-1.124 (.714)	-.520 (.451)	-.090 (.543)	.048 (.511)	-.373 (.616)
TIME10	-1.935 (1.020)d	-1.912 (1.104)	.496 (.529)	.318 (.654)	-1.378 (.645) ^c	-2.0011 (.930)c

	Likelihood that Avg. Family Income-to-Needs<.5		Likelihood that Avg. Family Income-to-Needs<1.0		Likelihood that Avg. Family Income-to-Needs>=1.5	
	After 12 Months	After 18 Months	After 12 Months	After 18 Months	After 12 Months	After 18 Months
	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6
TIME11	.150 (.697)	.545 (.905)	-.015 (.555)	-.383 (.679)	-.830 (.759)	-.496 (.843)
TIME12	.733 (.793)	-.006 (1.042)	.179 (.695)	.963 (.928)	-2.527 (1.231) ^c	-.487 (1.176)
TIME13	.120 (.496)	-.240 (.596)	.269 (.395)	.285 (.460)	-1.120 (.505) ^c	-1.686 (.602) ^b
PREVTIME	-.003 (.006)	.009 (.005) ^d	.009 (.004) ^b	.003 (.004)	-.010 (.005) ^d	-.014 (.007) ^c
YEAR SPELL ENDED (1994 OMITTED)						
YR89	1.213 (1.127)	2.980 (1.388) ^c	.154 (.917)	.363 (.968)	-.517 (1.054)	-.261 (1.195)
YR90	1.058 (.486) ^c	1.949 (.840) ^c	.178 (.359)	.669 (.522)	-.873 (.432) ^c	-1.261 (.656) ^c
YR91	.238 (.452)	1.688 (.830) ^c	.324 (.317)	-.024 (.512)	-.505 (.366)	-.458 (.630)
YR92	.285 (.462)	1.115 (.836)	.369 (.330)	.434 (.504)	-.802 (.390) ^c	-.489 (.606)
YR93	-.049 (.396)	.720 (.757)	.250 (.286)	.142 (.441)	-.823 (.343) ^c	-.592 (.524)

a: p<.001; b: p<.01; c:p<.05; d:p<.10.

-2 log likelihood for Model 1: 577.23
-2 log likelihood for Model 2: 353.25
-2 log likelihood for Model 3: 965.17
-2 log likelihood for Model 4: 631.55
-2 log likelihood for Model 5: 705.44
-2 log likelihood for Model 6: 451.01

Table A.3
Regressions for the Likelihood of Ending a Spell of Work/Nonwork After Exiting AFDC

	After AFDC		
	Exiting Nonwork	Exiting 20 Hours of Work	Exiting 35 Hours of Work
OBSERVATIONS	10,013	8,968	6,158
RACE (WHITE OMITTED)			
BLACK	-.051 (.152)	.004 (.166)	-.075 (.171)
NATAM	-.710 (.466)	-.076 (.359)	.010 (.380)
HISPANIC	.013 (.159)	-.112 (.188)	.009 (.190)
ASIAN	-.356 (.488)	.478 (.557)	-.451 (.651)
CURRENT RELATIONSHIP TO HEAD (HEAD OMITTED)			
WIFE	-.386 (.177)c	-.021 (.211)	.166 (.223)
CHILD	.093 (.174)	-.002 (.191)	-.170 (.202)
GRCHILD	.345 (.465)	.314 (.418)	.123 (.489)
OTHREL	-.016 (.252)	.524 (.305)d	.304 (.339)
PERSONAL AND FAMILY VARIABLES			
KIDSU18	-.036 (.046)	.001 (.054)	-.033 (.057)
UNDER61	-.188 (.130)	.075 (.143)	.215 (.152)
UNDER62	-.515 (.193)b	-.021 (.219)	.411 (.229)d
MOREKIDS	-.488 (.182)b	.429 (.202)c	.131 (.221)
FEWKIDS	-.232 (.152)	-.087 (.164)	-.217 (.172)
OTHER WORKERS IN FAMILY	.058 (.151)	.011 (.166)	.183 (.174)
AGEBEG	-.036 (.008)a	-.013 (.010)	-.014 (.011)
SCHOOLING			
PAIDSCHL	.335 (.317)	-.165 (.438)	.468 (.451)
SCHFULL	-.553 (.290)d	.408 (.371)	.654 (.427)
SCHPART	-.618 (.328)d	-.370 (.411)	.285 (.430)
HSG	.272 (.131)c	-.460 (.139)a	-.470 (.148)b
SCOLLEGE	.414 (.159)b	-.794 (.174)a	-1.007 (.190)a
COLLEGE	.552 (.398)	-.336 (.455)	-.636 (.442)
CHILD PROBLEMS			
CHTHRPY	.123 (.401)	.630 (.409)	1.118 (.443)b
SPECED	.329 (.328)	-.339 (.325)	-.144 (.333)
CHHLTLIM	-1.064 (.493)c	-.641 (.489)	-.793 (.513)

	After AFDC		
	Exiting Nonwork	Exiting 20 Hours of Work	Exiting 35 Hours of Work
SCHDIF	-.635 (.317)c	.483 (.309)	.545 (.315)d
WORK EXPERIENCE/LIMITATIONS			
YEARS OF WORK EXPERIENCE	-.013 (.016)	.009 (.016)	.033 (.016)c
WORKLIM	-.987 (.190)a	.242 (.212)	.169 (.224)
STATE CONDITIONS/METRO AREA/REGION (SOUTH OMITTED)			
STATEUN	-.093 (.043)c	.010 (.041)	.055 (.045)
STATEWEL(000)	.037 (.599)	.428 (.540)	.251 (.563)
MEDIAN INCOME (000)	.027 (.017)	.005 (.020)	.009 (.019)
NORTH CENTRAL	-.013 (.183)	-.173 (.190)	-.413 (.203)
NORTHEAST	-.141 (.266)	-.184 (.313)	-.325 (.337)
WEST	-.227 (.253)	-.396 (.261)	-.317 (.270)
WORK CONDITIONS			
CURRWAGE	...	-.088 (.029)b	-.076 (.032) c
EMPHLTHINS	...	-1.083 (.242)a	-.941 (.262)a
OTHHLTHINS	-.356 (.160)c	.185 (.196)	-.008 (.236)
OTHER INCOME			
ALIMONY	.001 (.002)	.003 (.001)c	.003 (.002)d
CHLDSUPRT	-.0005 (.00005)	-.001 (.001)	-.0003 (.0006)
PUBLIC/SUBSIDIZED HOUSING			
LOWRENT	-.071 (.206)	-.025 (.214)	.113 (.224)
PUBHOUSE	-.055 (.177)	-.168 (.198)	-.051 (.210)
PUBHTIME	-.001 (.003)	-.004 (.003)d	-.002 (.002)
TRAINING RECEIVED			
ANY TRAINING*	-.245 (.545)	-.309 (.623)	.582 (.679)
JTPA	.555 (.278)c	.419 (.273)	.110 (.272)
JOBSKTR	-.084 (.300)	.064 (.291)	-.077 (.288)
BASSKTR	.450 (.337)	.031 (.324)	.008 (.319)
JSA	.183 (.352)	-.411 (.335)	-.091 (.322)
OIJTR	-.087 (.272)	-.324 (.320)	-.495 (.341)
JTWE	.029 (.394)	.012 (.443)	.998 (.459)c
JTOS	1.108 (.484)	.137 (.482)	.459 (.458)
JTAPP	-.442 (.872)	1.560 (1.174)	1.421 (1.185)

	After AFDC		
	Exiting Nonwork	Exiting 20 Hours of Work	Exiting 35 Hours of Work
JTBCV	.488 (.271)	-.075 (.277)	-.524 (.276)d
JTCC	-.371 (.383)	.833 (.364)c	.940 (.368)b
JTHSV	.367 (.381)	-.445 (.436)	-.145 (.420)
JTWORK	-.947 (.403)	.472 (.395)	.654 (.421)
JTWEEEKS	-.006 (.004)	.016 (.003)a	.008 (.004)c
JTPAIDS	.067 (.419)	-1.167 (.436)b	-.230 (.412)
JTPAIDE	1.264 (.426)b	-.501(.412)	.010 (.418)
JTPAIDG	.012 (.334)	-.536 (.332)	-.114 (.319)
JTPAIDSE	.424 (.576)	-1.428 (.720)c	-.720 (.700)

MARITAL STATUS AND EARNINGS AT EXIT (MARRIED, WITH NO PERSONAL EARNINGS, FAMILY EARNINGS IS EXCLUDED)

EXIT2	-.115 (.201)	-.206 (.255)	-.277 (.276)
EXIT3	-.016 (.344)	-.559 (.305)d	-.550 (.349)
EXIT4	.296 (.246)	-.513 (.257)c	-.454 (.268)d
EXIT5	.455 (.247)d	-.536 (.330)d	.116 (.349)
EXIT6	.237 (.203)	-.505 (.275)d	-.311 (.296)
EXIT7	1.267 (.426)b	-1.288 (.389)a	-.569 (.367)
EXIT8	.523 (.240)c	-.572 (.259)c	-.459 (.270)d

1ST OCCUPATION AFTER EXIT (CLERICAL OMITTED)

PROF	...	-.017 (.298)	-.163 (.307)
TECHNIC	...	-1.384 (.667)c	-.517 (.542)
SALES	...	.045 (.223)	.073 (.240)
SERVICE	...	.123 (.213)	.491 (.223)c
MAID	...	.057 (.288)	.140 (.332)
PERSSRV	...	-.459 (.322)	-.072 (.331)
LABORER	...	.160 (.214)	.244 (.212)
HLTHSERV	...	-.366 (.257)	-.271 (.256)
OTHEROCC	...	.301 (.291)	.099 (.300)

ECONOMIC SECTOR (PRIVATE FOR-PROFIT OMITTED)

PRIVNON	...	-.042 (.336)	-.231 (.363)
GOV017 (.201)	.208 (.207)

AFDC SPELL LENGTH (TIME 1 OMITTED)

TIME2	1.271 (.942)	-.170 (.894)	.949 (1.144)
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	After AFDC		
	Exiting Nonwork	Exiting 20 Hours of Work	Exiting 35 Hours of Work
TIME3	.801 (.945)	.162 (.879)	.822 (1.32)
TIME4	.277 (.924)	.027 (.873)	.862 (1.117)
TIME5	.802 (.919)	-.317 (.867)	.543 (1.110)
TIME6	1.046 (.921)	-.046 (.859)	.764 (1.105)
TIME7	.773 (.917)	.043 (.869)	1.140 (1.117)
TIME8	.861 (.933)	-.213 (.882)	.814 (1.121)
TIME9	.703 (.928)	-.121 (.891)	.661 (1.133)
TIME10	.234 (.969)	-.100 (.923)	1.305 (1.150)
TIME11	.786 (.950)	.025 (.925)	.670 (1.168)
TIME12	.309 (.985)	.383 (.916)	1.647 (1.158)
TIME13	.119 (.935)	-.203 (.876)	.881 (1.120)
PREVTIME	.002 (.002)	.005 (.002)b	.003 (.002)
WORK/NONWORK SPELL LENGTH (WORK1 OMITTED) AND MONTHS BETWEEN END OF AFDC SPELL AND BEGINNING OF WORK/NONWORK SPELL			
WORK2 (2 MONTHS)	.13422 (.181)	-.006 (.232)	.219 (.225)
WORK3 (3 MONTHS)	-.370 (.214)d	.269 (.228)	.389 (.229)d
WORK4 (4 MONTHS)	.240 (.191)	.836 (.214)	1.259 (.210)a
WORK5 (5 MONTHS)	.091 (.210)	-.158 (.289)	.020 (.301)
WORK6 (6 MONTHS)	-.549 (.266)c	-.054 (.288)	.042 (.314)
WORK7 (7-11 MONTHS)	-.527 (.177)b	.247 (.198)	.320 (.212)
WORK8 (12-17 MONTHS)	-.827 (.214)a	-.004 (.232)	.325 (.249)
WORK9 (18-23 MONTHS)	-1.301 (.330)a	-.402 (.310)	.335 (.314)
WORK10 (24+ MONTHS)	-1.740 (.602)b	-1.191 (.589)c	-.654 (.696)
BETWEEN AFDC SPELL ENDING AND BEGINNING WORK/NONWORK	.026 (.015)d	.032 (.016)c	.011 (.015)
YEAR SPELL ENDED (1989 OMITTED)			
YR90	-.561 (.638)	-.786 (.711)	-.752 (.885)
YR91	-.106 (.625)	-.862 (.704)	-.715 (.876)
YR92	.003 (.626)	-.970 (.708)	-.853 (.884)
YR93	.050 (.634)	-1.124 (.711)	-.893 (.886)
YR94	.009 (.643)	-1.014 (.734)	-.936 (.906)
YR95	-.507 (.690)	-2.107 (.850)b	-1.744 (.986)d

a: p<.001; b: p<.01; c:p<.05; d:p<.10.

*The training variable was run without all of the other job training variables in the models.

-2 Log Likelihood for Nonemployment Hazard: 3106.09, -2 Log Likelihood for 20 Hour Hazard: 2808.63, -2 Log Likelihood for 35 Hour Hazard: 2465.01

Table A4

Work and Health Insurance Regressions for the 18 Month Period Following AFDC Exit

	Percentage of Time Working 20+ Hours and Earning \$8+ Per Hour	Percentage of Time Working 35+ Hours and Earning \$8+ Per Hour
STATE CONDITIONS		
UNEMPLOYMENT RATE		
MEDIAN INCOME	.055 (.015) a	.050 (.015) a
MARITAL STATUS AND EARNINGS AT EXIT (MARRIED, WITH NO PERSONAL EARNINGS, POSITIVE FAMILY EARNINGS, IS EXCLUDED)		
NOT MARRIED, PERSONAL EARNINGS, REST OF FAMILY EARNINGS < PERSONAL EARNINGS	.372 (.228) d	.509 (.246)c
1ST OCCUPATION AFTER EXIT(CLERICAL OMITTED)		
PROFESSIONAL		
TECHNICAL		
SALES	-.552 (.206) b	-.763 (.235)a
SERVICE	-.413 (.192) c	-.408 (.198)c
MAID	-.869 (.333) a	-.772 (.326)c
PERSONAL SERVICES	-.885 (.330) a	-.851 (.349)b
LABORER		
HEALTH SERVICES	-.534 (.217) c	-.555 (.225)b
OTHER OCCUPATIONS	-.545 (.293) d	
NO JOB IN 1 ST 3 MONTHS		-.430 (.195)c

a: p<.001; b: p<.01; c:p<.05; d:p<.10. *:

Other variables included in the analyses include level of education, work limits, marital and earnings status at exit of AFDC, part time school for the former recipient, number of children under age 18, whether one child under age 6, and whether more than one child under age 6.

¹To be nonemployed, a person must be either not in the labor force or unemployed.

²The hazard models described below use time in the condition (either employment or nonemployment) to date variables. The other models do not use these variables.

³We also ran these models for all cases, with controls for spell number, and found our results to be quite similar to the results reported here.

⁴The results for the 12 month period after AFDC are similar to the results reported for the 18 month period. Family income-to-needs are somewhat lower in the 12 month period, however, with 18.2 percent of the sample having average family income below 50 percent of the poverty line, 53.2 percent having family income below the poverty line, and 24.2 percent having income at or above 150 percent of the poverty line.

⁵These probability estimates are the average probability for all respondents.

⁶Note that other occupations in the analysis included professional, technical, personal services, laborer, health services, and all other occupations. Each of the coefficient estimates for these variables were statistically insignificant. However, many of the coefficient estimates were quite different from zero, with relatively large standard errors, due, in all likelihood, to the relatively low number of former recipients in these occupations.

⁷We also examined models with the percentage of time working 35+ hours or 20+ hours and earning over \$8 per hour as the dependent variable. These results, with a very limited number of independent variables are presented in the appendix, Table A4. These results indicate the importance of first occupation after exiting welfare. Those in many occupations do far worse than do those in clerical occupations.

⁸We estimate that the median level of income for those currently receiving AFDC is at 58 percent of the poverty line.