

WOMEN'S ENEWS

Welfare Series: Time for Congress to Act

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By Margy Waller, WeNews commentator

As reported in the Women's eNews series, recent research indicates that the 1996 welfare law is failing many women raising children alone. In response, Waller calls on Congress to act quickly on improvements that have been stalled for two years.

(WOMENSENEWS) – On Aug. 23, eight years and one day after President Clinton signed the historic welfare legislation, the current secretary of the Department of Health and Human Services celebrated the anniversary by announcing a welfare caseload decline of 1.8 percent.

“American families are improving their lives by leaving public assistance and entering the workforce,” Tommy Thompson insisted.

But, the following Thursday, our U.S. Census Bureau announced the 2003 poverty estimates. Poverty increased overall, and unfortunately, children accounted for most of the overall increase and more than a third of all poor people.

Even more bad news: 43 percent of all poor people were living in “deep” poverty with income below half the poverty line, about \$7,500 for a family of three.

Poverty is up, and welfare is down. What's going on? We expect more people to get emergency help when poverty increases.

Part of the explanation for why welfare rolls are declining while poverty increases is simple. More poor parents who qualify for such assistance simply are not getting it. As another Health and Human Services report published earlier this year showed, the percentage of eligible families getting temporary welfare assistance has declined a lot – from nearly 80 percent in 1996, to less than 50 percent by 2001.

Something Wrong

We don't know exactly why that's happening. But we do know that's not the way it should work.

Although the 1996 welfare law has a broad set of purposes and a strong focus on work as the method of reducing dependence, it retains the old program's role of assisting needy parents. Albeit with more strings, and time limits in most places.

Of course, 90 percent of the adult recipients are women living with children. At the same time, the recent poverty data reveal that children account for most of the increase in poverty, and most of those children live in a household with their single mother.

While many poor households include a worker, the income they earn isn't enough to leave poverty. And even though many single mothers went to work in the mid-1990s, the employment rate of single mothers declined from 73 percent in 2000 to 69.8 percent in 2003, more than that of the rest of the population. Job loss and slower job growth in industries that employ former welfare recipients likely contributed to that drop.

It turns out that welfare reform is not recession-proof.

Measuring Poverty

Unfortunately, the poverty report released in August doesn't fully reflect the number of low-income families facing hardship.

The experts agree: Our poverty measure is out of date. It hasn't been changed to reflect major societal changes. Like: the percentage of mothers in the work force has increased significantly since the measure was adopted in the 1960s. For single mothers of young children, work almost always requires paying for child care. And that takes a big bite out of household income.

Isabel Sawhill and Adam Thomas – colleagues at The Brookings Institution – looked at the impact of child care expenses on the poverty rate using 1998 data. They found that when income is reduced to reflect these expenses, 1.9 million additional people are thrown into poverty.

Moreover, the poverty line doesn't reflect increases in housing expenditures, or regional differences in costs, and these days many working-poor households spend more than half their income on rent.

Hardship among low-income families is even worse than official statistics suggest, making congressional action on social-welfare policy that much more urgent.

Learning from Success

Since President Clinton signed the historic welfare legislation in 1996, we've learned a lot about what works. Family economic security is strengthened with supports like child care and transportation assistance, education and training.

Congress and the Bush administration have been debating legislation to reauthorize the 1996 welfare law for several years. The law officially expired two years ago, and unable to agree on how or whether to make changes, Congress has temporarily extended the law every three months or so since then.

Given the press of other business and the pending national election, it's not clear when Congress will turn back to serious consideration of the welfare law. When it does, decisionmakers should heed the lessons of research on reducing poverty and supporting work, while making certain that welfare continues to be a safety net for families when they need it.

Marriage Proposal

The Bush administration and some members of Congress are focused on investing in new initiatives promoting marriage as a strategy to achieve welfare reform goals.

Unfortunately, our knowledge of the benefits and risks of encouraging marriage for low-income parents is limited.

While there is evidence that marriage increases household income, it may not be easy or even a good idea to encourage marriage for many single parents. The problem is figuring out which families might benefit from proposed services, like counseling and education.

Many unmarried parents are at risk of factors known to contribute to marital disruption or conflict, such as domestic violence, unemployment or mental health problems. If we encourage marriage for such couples before addressing these issues, we may put families at greater risk of experiencing marital conflict and divorce or separation with all of their negative consequences.

Given the limited knowledge about how to support healthy marriages, Congress should approach public investment with care, providing a relatively small appropriation dedicated to research purposes.

Bush Proposes More Work Hours

Also on the current administration's agenda for welfare changes is a proposal to add work hours for parents and increase state work rates. At the same time, President Bush has refused to increase the current – steadily eroding and woefully inadequate – level of child-care funding.

The administration's proposals will almost certainly force states to reduce investment in proven and promising family supports, like child care, transportation, and child support collection.

A review of the recent welfare and poverty reports, and the research conclusions about improving the well-being of families, reducing poverty, and supporting work, shows that

the administration's proposals have no basis in evidence and are unlikely to reverse the trend lines for poor families.

In the current budget environment of limited resources, the next steps in improving welfare laws require a conservative approach: investment only in proven and promising work supports and safety-net services. Mothers and others on welfare have no interest in experimenting with family security. Just like everyone else.

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For more information:

The Brookings Institution – American Dream: Three Women, Ten Kids, and A Nation's Drive to End Welfare: http://www.brookings.edu/es/research/projects/wrb/wrb_hp.htm

The Brookings Institution – Margy Waller:
<http://www.brookings.edu/pagedefs/7970c5946502ff3b800011ae0a141465.xml>

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