

POLICY PERSPECTIVES

Center for the Study of Women in Society

UNIVERSITY OF OREGON · WOMEN IN THE NORTHWEST RESEARCH INITIATIVE · NO. 4



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*Oregon Families who Left
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CSWS website,
<http://csws.uoregon.edu/>

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The Women in the
Northwest Research
Initiative generates and
disseminates research that
informs social policy, public
understanding, and
scholarship to improve the
lives of women, families,
and communities

This Policy Perspective presents data from “Oregon Families Who Left Temporary Assistance to Needy Families (TANF) and Food Stamps: A Study of Economic and Family Well-Being, 1998-2000.

(Available at <http://csws.uoregon.edu>)

Education

Higher levels of education lead to higher earnings for those who have received or applied for TANF benefits, as the University of Oregon, Center for the Study of Women study of 321 former and potential clients shows (Table 1).

Table 1: Average Monthly Earnings by Education Level

Education	Head-of Household Earnings	Average Monthly Earnings
Less than high school	\$ 566.21 (44)	\$ 761.80 (47)
HS diploma/GED	\$ 657.22 (128)	\$ 784.58 (131)
Some college	\$ 755.42 (114)	\$ 854.78 (120)
Associates degree	\$1,112.10 (14)	\$1,330.90 (14)
Bachelors degree	\$1,185.06 (9)	\$1,412.13 (9)
Total cases included	(309) ¹	(321) ²

Source: Earnings were derived from Oregon Department of Employment data spanning 2/98 through 10/99

¹Note: 374 respondents made up the TANF and the Diverted populations; 53 cases excluded for lack of earnings

²Note: 374 respondents made up the TANF and the Diverted populations; 65 cases excluded for lack of earnings

Higher levels of education also lead to higher rates of employment (Table 2) and lower rates of poverty (Table 3). Employment rates were particularly low among those with less than a high school education.

Table 2: Education by Employment Status of TANF Leavers and Diverted

Education	Employed	Not Employed
Less than high school	51.3% (31)	48.9% (29)
HS diploma/GED	70.0% (105)	30.0% (45)
Some college	74.5% (99)	25.6% (34)
Associates degree	66.7% (10)	33.3% (5)
Bachelors degree or >	91.0% (10)	9.0% (1)
Total (369)	69.1% (255)	30.9% (114)

Source: Second survey of Welfare and Food Stamp Leaver and Diverted Study

Note: 374 respondents made up the TANF and the Diverted populations; five respondents did not answer

Over half of those without a high school degree (or its equivalency) had incomes below the poverty line compared to 27% if those with an associates degree (Table 3).

Table 3: Education by Poverty Level of TANF Leavers and Diverted

Education	Above Poverty Level	Below Poverty Level
Less than high school	46.0% (26)	54.0% (30)
HS diploma/GED	44.9% (66)	55.1% (81)
Some college	50.0% (66)	50.0% (66)
Associates degree	73.3% (11)	26.7% (4)
Bachelors degree or >	63.6% (7)	36.4% (4)
Total (361)	48.8% (176)	52.1% (185)

Source: Second survey of Welfare and Food Stamp Leaver and Diverted Study

Note: 374 respondents made up the TANF and the Diverted populations; thirteen respondents did not answer

In spite of the obvious benefits of education, Oregon parents receiving TANF can rarely access educational programs that would prepare them to move out of the lowest wage jobs into living-wage employment. We interviewed 756 TANF leavers, TANF diverted and Food Stamp leavers twice in six months to see how many were able to attain more education under current CAF policies. While 84 percent of the total respondents in our study wanted more education, only 11 percent reported completing any additional education during the period of the study. A total of 15 received either a high school diploma, GED, or an associates or bachelors degree. Table 4 shows education level at the first interview and additional educational progress six months later at the second interview. Few had achieved a diploma or a certificate of training that would have made them more qualified for higher wage jobs—enhancing their chances for economic security. Even more troubling is how few without a high school degree or GED had had achieved this most basic credential—only 9 of 130.

Education has a cumulative effect: the more education, the more likely is the completion of additional education. Those who began the study having acquired some college were more likely to have completed some additional education compared to those with a high school degree or less (controlling for race, gender, marital status, and age of children). Thus, having at least some college may be a critical stage in moving out of poverty, for this level of education is associated with a decrease in poverty level status, an increase in income, and an increase in average hours worked on the job (a variable that indicates job stability).

Table 4: Educational Attainment During Study

Education At First Survey		Education Acquired by Second Survey	
Less than HS	17% (130)	Less than HS	0% (0)
HS diploma/GED	39% (298)	HS diploma/GED	1% (9)
Some college	33% (248)	Some college	4% (33)
Associates degree	6% (44)	Associates degree	<1% (5)
Bachelors degree or >	3% (22)	Bachelors degree or >	<1% (1)
No answer	2% (14)	Some specialized job training	4% (33)
Total	100% (756)	Total	11% (81)

Source: First and second survey of Welfare and Food Stamp Leaver and Diverted Study

Note: Five of those who answered yes to completing more education did not indicate the change in their status

The barriers to education especially for those who are single mothers supporting young children are formidable. Many TANF leavers we interviewed were frustrated with the limited earnings, lack of benefits and contingent working conditions that characterize much of the work available in the low wage sector of the labor market. They want higher wage jobs with adequate benefits and most know that acquiring an advanced education and/or specialized credentials can lead to more economic security. Current welfare policies do not support low-income parents’ educational goals; in fact, welfare reform has created more barriers for recipients. Without ERDC subsidies or access to TANF, and without tuition support, completing coursework towards a certificate or degree, while working or caring for children is rare.

“They’ll pay for you to go to work, they’ll pay for your day care to work at a minimum wage job for the rest of your life because at a minimum wage job, you’ll never be able to afford day care yourself anyway. But they won’t pay for someone for day care for a year or two for them to go to school and get a degree so they can become more successful . . .”

Kim Smith, TANF Leaver

POLICY RECOMMENDATIONS

- Develop new (and strengthen existing) programs targeting TANF recipients and leavers who do not have a GED or high school diploma.
- Extend ERDC and Food Stamp benefits to low-income parents who are pursuing and progressing at post-secondary education.
- Develop a Parents as Scholars program to allow TANF recipients to pursue a post-secondary certificate or degree as an allowable work activity. Many other states currently support the efforts of poor women to secure basic and post-secondary education.
- Revive the Student block Grant Program to provide low-income parents access to childcare subsidies over the course to their schooling.