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## **The Economic Status of Noncustodial Fathers of Children on Welfare**

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Linda Levine  
Specialist in Labor Economics  
Domestic Social Policy Division

# The Economic Status of Noncustodial Fathers of Children on Welfare

## Summary

Since its creation in the 1996 welfare reform law, a goal of the Temporary Assistance for Needy Families (TANF) block grant has been to end the dependence of poor families on government. The means chiefly used to achieve the objective has been to encourage adult beneficiaries, primarily single mothers, to obtain jobs. A second means — the promotion of marriage — thus far has received less emphasis and fewer funds. More attention also has been directed toward achieving the TANF program's goal of reducing welfare dependency than toward its objectives related to family structure: reducing the incidence of out-of-wedlock births and the formation or maintenance of two-parent families. In light of the substantial decline in TANF's caseload, due to poor mothers having successfully obtained jobs, the family-related elements of the TANF program could well be the subject of discussion during its reauthorization this year.

One reason that has been offered for the shift, up to the 1990s, in the structure of families with children toward being headed by women is that the stereotypical noncustodial father is not a good candidate for marriage on economic grounds (i.e., he cannot consistently provide a paycheck adequate for sustaining a family). The labor market deficiencies that form the popular image of nonresident fathers also mean they might be unable to make the child support payments that would help to achieve TANF's objective of decreasing welfare dependency. In order to fashion appropriate policies aimed at noncustodial fathers, however, one would want to know whether the anecdotal portrait is accurate or whether they are a diverse group, with some currently capable of financially supporting children living apart from them and others currently able to contribute little, if anything, to the economic well-being of their children residing elsewhere.

Far more is known about the characteristics of welfare mothers than about those of the fathers of their children, in part because of the difficulty entailed in identifying the latter. The few recently available studies have shortcomings (e.g., small samples drawn from one or a few geographic areas or proxies for the men of interest). With this caveat in mind, the following tentative picture emerges of noncustodial fathers of children receiving welfare benefits. They often are unmarried, relatively young, and disproportionately black. A large minority do not have a high school diploma, which could partly account for their weak performance in the labor market (e.g., less than full-year employment and a high unemployment rate). The possession of criminal records and their comparatively poor health also likely create problems for them in getting or keeping jobs. Nonresident fathers of poor children tend to be poor as well, although their earnings could grow subsequent to the time of childbirth. Looking at nonresident fathers in general, the vast majority are not poor and are not living in families with poverty-level income. Although the great majority of nonresident fathers who make child support payments are not poor, not all nonpoor nonresident fathers contribute to the financial well-being of their offspring. Despite the comparatively disadvantaged circumstances of poor nonresident fathers, it appears that a slight majority provide economic support to their children living apart from them.

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# The Economic Status of Noncustodial Fathers of Children on Welfare

Since its creation in the 1996 welfare reform law, a goal of the Temporary Assistance for Needy Families (TANF) block grant has been to end the dependence of poor families on government. The means chiefly used to achieve the objective has been to encourage adult beneficiaries, primarily single mothers, to obtain jobs. There is widespread agreement that the fortuitous coincidence of a robust economy and the imposition of a work requirement on custodial parents in TANF families brought about a substantial reduction in the program's caseload. Whether the jobs that former TANF recipients typically have obtained can make their families totally self-sufficient and whether they will be able to keep those jobs during a period of slowed economic growth is less universally agreed upon.

## TANF and Family Structure

The TANF law specifies a means other than work to attain the goal of ending welfare dependency, namely, marriage. The encouragement of marriage could help to achieve a second objective of the TANF program, reducing the incidence of out-of-wedlock births.

A third statutory goal also relates to family structure: the formation, as well as the maintenance, of two-parent families. These families include the traditional husband-wife combination and separated, divorced, or never-married parents whether they are cohabiting or living apart. States thus have designed initiatives to encourage nonresident parents<sup>1</sup> — typically fathers — to become more actively involved in their children's lives, to provide these fathers with employment services, and to offer both parents social services (e.g., family counseling).

Thus far in TANF's existence, less emphasis and fewer funds have gone toward changing family structure than toward reducing welfare dependency by promoting work.<sup>2</sup> The family-related elements of the TANF program could well be the subject of discussion during its reauthorization in 2002.

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<sup>1</sup>The terms "noncustodial" and "nonresident" fathers are used interchangeably in this report.

<sup>2</sup>CRS Report RL31170, *Welfare Reform: TANF Provisions Related to Marriage and Two-Parent Families*, by Gene Falk and Jill Tauber. Note: "Fatherhood initiatives" may be funded from non-TANF sources. For more information, see CRS Report RL31025, *Fatherhood Initiatives: Connecting Fathers to Their Children*, by Carmen Solomon-Fears.

One reason that has been offered for the shift, up to the 1990s, in the structure of families with children under age 18 toward being headed by women<sup>3</sup> is that the stereotypical noncustodial father is not a good candidate for marriage on economic grounds. In other words, he cannot consistently provide a paycheck that his partner considers adequate for sustaining a family.<sup>4</sup> Research suggests that improving the employment prospects of noncustodial fathers whose children receive welfare would contribute to the attainment of TANF's family formation goal,<sup>5</sup> and that greater father involvement in the lives of their nonmarital children might help to raise the men's earnings level.<sup>6</sup> The low earnings capacity and unstable work history that forms the popular image of nonresident fathers also is offered as an explanation for their sometime failure to pay child support. While some noncustodial fathers likely are financially able to provide child support (in part or in full) and thereby to help achieve TANF's objective of reduced dependence on government, the labor market deficiencies ascribed to other (e.g., poor) noncustodial fathers calls into question their ability to do so. For these reasons, some policymakers have argued that the reauthorization of TANF offers an opportunity for government to place more emphasis on assisting the latter group of nonresident fathers with children on welfare (e.g., by increasing their access to job placement and training services).

Given the likely interest among Members of Congress in noncustodial fathers whose children are TANF beneficiaries, this report attempts to provide an accurate statistical portrait of these men. Shortcomings in the available data make the

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<sup>3</sup>According to the U.S. Bureau of the Census (America's Families and Living Arrangements: March 2000, Current Population Reports, Series P20-537 and earlier reports), mother-only families accounted for 6.3% of families with children under age 18 in 1950, 8.2% in 1960, 10.3% in 1970, 17.6% in 1980, 20.4% in 1990, and 21.9% in 2000. It appears from the annual data for the 1990s that the share of families headed by mothers may have stabilized at slightly more than one-fifth.

<sup>4</sup>Edin, Kathryn. A Few Good Men: Why Poor Mothers Don't Marry or Remarry? *The American Prospect*, January 3, 2000; and What Do Low-Income Single Mothers Say About Marriage? JCPR Working Paper 100, July 1, 1999.

<sup>5</sup>According to Ronald B. Mincy and Allen T. Dupree (*Can the Next Step in Welfare Reform Achieve PRWORA's Fourth Goal?: Family Formation in Fragile Families*, Center for Research on Child Wellbeing, Working Paper #00-23-FF), recent employment of their children's fathers greatly increased the odds that unwed, low-income mothers would form some sort of family unit. However, the poor job prospects of some single fathers appears to be just one factor that has contributed to the change in the nation's family structure. Others include the effect of welfare and of child support policies. According to Wendy Sigle-Rushton and Irwin Garfinkel (*Welfare, Child Support, and Labor Markets: Are They Related to Father Involvement?*, Center for Research on Child Wellbeing, Working Paper #01-18), most analyses estimate the impact on marriage of each of the three variables to be small. Neither the labor market opportunities of men or women nor welfare or child support policies "has changed enough to fully account for the large changes in U.S. family structure. Researchers may yet demonstrate, however, that, taken together, changes in all these factors explain a large proportion of the change."

<sup>6</sup>Lerman, Robert, and Elaine Sorensen. Father Involvement with Their Nonmarital Children: Patterns, Determinants, and Effects on Their Earnings. *Marriage and Family Review*, v. 29, no. 2/3, 2000.

development of a such a portrait difficult. Although nonresident fathers are identified in some large nationwide surveys, evidence strongly indicates that:

- nonresident fathers are underrepresented because they fail to report themselves as such,<sup>7</sup>
- they disproportionately belong to population groups that are undercounted in the decennial census (e.g., young black men),<sup>8</sup> and
- the surveys themselves exclude the institutionalized population (e.g., persons living in prisons or in military barracks).

Some researchers have estimated the number of misclassified, undercounted, and uncouned nonresident fathers to better approximate the total size of the group, and then inferred the socioeconomic characteristics of those missed to develop a clearer picture of all noncustodial fathers.<sup>9</sup> Unfortunately, the figures available from nationally representative surveys typically pertain to nonresident fathers regardless of whether their children receive benefits through the TANF program or its predecessor, the Aid to Families with Dependent Children program (AFDC). Based on the principle of assortative mating (i.e., the inclination of individuals to select like partners in terms of schooling, race/ethnicity, age, and other characteristics), analysts who utilize these surveys have sometimes equated young, low-income, or unwed fathers with noncustodial fathers of children on welfare.<sup>10</sup>

Data specifically on noncustodial fathers whose children receive public assistance are scanty, and they too have shortcomings, including derivation from very small samples. In addition, statistics on these men sometimes are gathered by questioning custodial mothers who might have limited contact with and knowledge about their children's fathers. In those cases in which the fathers are respondents, the results may not be generalizable to all nonresident fathers of children receiving welfare because only noncustodial fathers who live in a few geographic areas, who are in training programs, or who are identified through paternity establishment procedures are queried. Nonetheless, the following picture of these fathers emerges from the best, latest available data sources.

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<sup>7</sup>In response to questions in various surveys, men less often say they fathered children living elsewhere than women say they have children at home whose fathers live elsewhere.

<sup>8</sup>The census counts of subpopulations are used to calculate survey weights.

<sup>9</sup>See for example: Garfinkel, Irwin with Sara S. McLanahan, and Thomas L. Hanson. A Patchwork Portrait of Nonresident Fathers, in Garfinkel, Irwin with Sara S. McLanahan, Daniel R. Meyer, and Judith A. Sletzer (eds). *Fathers Under Fire: The Revolution in Child Support Enforcement*. NY, Russell Sage Foundation, 1998; Sorenson, Elaine. A National Profile of Nonresident Fathers and Their Ability to Pay Child Support. *Journal of Marriage and the Family*, November 1997.

<sup>10</sup>For more information on assortative mating patterns by marital status and the ability to predict nonresident fathers' incomes based on mothers' characteristics, see: Garfinkel, Irwin with Dana Glei and Sara S. McLanahan. *Assortative Mating Among Unmarried Parents: Implications for Child Support Enforcement*. Center for Research on Child Wellbeing, Working Paper #98-31.

## A Statistical Picture

### Demographic Characteristics

The assumption that the characteristics of noncustodial fathers of children on welfare are similar to those of their partners appears to be valid in a number of respects. A majority of the fathers eligible for the Parents' Fair Share Demonstration (i.e., underemployed or unemployed noncustodial fathers who had child support orders in place but were not making timely payments for children receiving AFDC benefits) were unmarried, relatively young, and disproportionately black or Hispanic.<sup>11</sup>

The noncustodial fathers of AFDC children display a number of demographic characteristics that likely make it difficult for them to obtain a job, particularly a good job. Almost one-half of the men in the Demonstration's control group (i.e., those not provided services) did not have a high school diploma or general equivalency diploma (GED), which puts them at a great disadvantage, as educational attainment and the unemployment rate are inversely related.<sup>12</sup> Moreover, the average earnings of male workers in 2000 who did not have a high school diploma or GED was \$21,639, or just two-thirds the earnings of male high school graduates (\$32,020). And the opportunity for relatively low-skilled men to obtain comparatively high-paying jobs has dwindled over time.<sup>13</sup>

Almost 7 out of 10 of the Fair Share Demonstration fathers also reported that they had, at some time, been convicted of a criminal offense. As shown in **Table 1**, a large minority had recently been arrested. The possession of criminal records might further contribute to the employment problems of noncustodial fathers as firms could well be reluctant to hire former inmates. In addition, time spent in jail might erode the skills of these men and might lessen their time spent accumulating the kind of work experience that leads to higher earnings.

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<sup>11</sup>Martinez, John M., and Cynthia Miller. *Working and Earning: The Impact of Parents' Fair Share on Low-Income Fathers' Employment*. Manpower Demonstration Research Corporation, October 2000. (Hereafter cited as Martinez and Miller, *Working and Earning*.) Note: The Parents' Fair Share Demonstration ran from March 1994 to June 1996 and was conducted in seven urban areas across the United States. Through job training and placement services, among other things, the Demonstration was meant to raise the earnings and child support payments of unemployed noncustodial parents (usually fathers) with children receiving AFDC benefits and to increase the men's involvement in their children's lives.

<sup>12</sup>In 2001, according to the U.S. Bureau of Labor Statistics, men in the civilian noninstitutional population age 25 or over who lacked a high school degree or the equivalent had an unemployment rate of 6.5%. Just by obtaining a high school degree alone, the share of men in the labor force without jobs dropped to 4.3%. The unemployment rate fell still further for men with associates degrees (3.1%). Male college graduates had an unemployment rate of just 2.2% in 2001.

<sup>13</sup>CRS Report 95-1081, *Education Matters: Earnings by Highest Year of Schooling Completed*, by Linda Levine.

**Table 1. Demographic Characteristics of Noncustodial Fathers  
Randomly Assigned to the Control Group in the  
Parents' Fair Share Demonstration**

<b>Characteristic</b>	<b>Percent distribution</b>
<i><b>Marital status</b></i>	100.0%
Never married	60.3
Currently married	12.4
Separated or divorced	27.4
<i><b>Race/ethnicity</b></i>	100.0%
Black	59.6
Hispanic	23.2
White, non-Hispanic	14.8
Other	2.3
<i><b>Age</b></i>	100.0%
Under 25	26.8
25-34	46.7
35 or over	26.4
<i><b>Educational attainment</b></i>	100.0%
No high school diploma or equivalent	49.5
High school diploma or equivalent	49.9
Associate's degree or higher	0.6
<i><b>Arrest and conviction history</b></i>	
Among the 31.6% arrested and charged with a crime since assignment to control group:	
Drug-related	24.8
Driving without a license	19.6
Other	55.6
Convicted of criminal offense since age 16	68.5



Characteristic	Percent distribution
<b><i>Housing stability</i></b>	
Among the 66.6% who own, rent, or contribute to rent:	
Stayed in three or more places since assignment to control group	21.5%
Slept in shelter, car, or public place in last 3 months	5.7%
Among the 33.4% with other housing arrangements	
Stayed in three or more places since assignment to control group	26.1%
Slept in shelter, car, or public place in last 3 months	13.6%

**Source:** Martinez, John M., and Cynthia Miller. *Working and Earning: The Impact of Parents' Fair Share on Low-Income Fathers' Employment*. Manpower Demonstration Research Corporation, October 2000.

**Note:** The data relate to 261 of the fathers and largely were based on their responses to the noncustodial parent survey, which was administered 12 months after random assignment to the treatment or control group. The survey covered a random sample of fathers at each of the seven sites who entered the demonstration between October 1995 and February 1996, and had a response rate of 78%.

Another factor that might hurt the job prospects of noncustodial fathers with children receiving welfare concerns the stability of their living arrangements. It appears that they often move from one place to another; sometimes, they are homeless. (See **Table 1**.) Their lack of a permanent address could make it difficult for prospective employers to contact them and could make them feel uncomfortable about even applying for jobs. Frequent moves also could reduce the fathers' chance of developing social networks that might inform them of job openings where friends are employed.<sup>14</sup>

## Employment Status

Despite possessing demographic characteristics that could impede their ability to get and keep a job, 70% of Demonstration fathers responded that they worked in the year after assignment to the control group. (See **Table 2**.) Based on employers' Unemployment Insurance (UI) submissions, the group's employment rate was an even higher 80.5%.<sup>15</sup> These employment rates approximate the overall proportion of young men in the civilian noninstitutional population who were employed in the mid-

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<sup>14</sup>Martinez and Miller, *Working and Earning*.

<sup>15</sup>The discrepancy between the two sources could exist because survey respondents might fail to remember brief periods of employment or because fathers might underreport employment if they thought their answers would affect child support collection efforts.

1990s (76.3%).<sup>16</sup> One explanation for this perhaps unexpected result is that the strength of the 1990s economic expansion could have enabled some of these men to overcome long-standing labor market handicaps and obtain jobs, just as happened with many of their partners who had been on the AFDC rolls.

There appears to be a positive relationship between a noncustodial father's employment status, educational attainment, and economic support for his offspring. Among the young fathers of nonmarital children in the AFDC program in three cities (Camden and Newark, New Jersey; and the south side of Chicago) whose employment status was known to their partners, those with jobs were significantly more likely to provide monetary support. In addition, the higher the father's educational attainment the greater the likelihood he gave financial support. Possibly, the higher paying jobs that fathers with additional years of schooling typically are able to obtain led them to conclude that they could afford to maintain their own standard of living and make support payments. The researchers estimated that if all the young, unmarried fathers of AFDC children in their analysis had completed high school and were employed instead of lacking a high school degree and a job, the share that provided monetary support for their offspring would have been substantially larger (i.e., 40% rather than 19%). If all the fathers had graduated from high school but nonetheless lacked jobs, their probability of providing financial support rose to a much lesser extent (i.e., to 24% from 19%).<sup>17</sup> Another analysis, which similarly estimated that the likelihood of noncustodial fathers making child support payments plummets if they did not work at all, also found that the number of weeks worked increases the probability of nonresident fathers paying child support.<sup>18</sup>

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<sup>16</sup>Calculated by CRS for 16-34 year old males from U.S. Bureau of Labor Statistics' data for 1995.

<sup>17</sup>Rangarajan, Anu, and Philip Gleason. Young Unwed Fathers of AFDC Children: Do They Provide Support? *Demography*, v. 35, no. 2, May 1998. p. 184. Note: As part of the Teenage Parent Demonstration program during the late 1980s, all teenage mothers in three economically depressed inner cities who entered the AFDC program were identified and 3,867 of them completed a follow-up survey. The researchers drew upon the survey data provided by the teenage mothers about the fathers of their 6,009 children. Information from state administrative records supplemented the survey data.

<sup>18</sup>Presentation of Mark Turner, Institute for Policy Studies, Johns Hopkins University, at a workshop (Addressing the Needs of Non-Custodial Parents in TANF Families) conducted by the Department of Health and Human Services Administration for Family, Welfare Peer Technical Assistance Network in Tallahassee, Florida in January 2001.

**Table 2. Labor Market Characteristics of Noncustodial Fathers Randomly Assigned to the Control Group in the Parents' Fair Share Demonstration**

Measure	Percentage or dollars
<i>Employed within 12 months of assignment to control group</i>	
Reported on survey	70.0%
UI administrative records	80.5%
<i>Characteristics of most recent job for those employed<sup>a</sup></i>	
Average hourly wage	\$7.10
Weekly hours:	100.0%
19 and under	3.9
20-34	23.6
35-49	61.2
50 and over	10.7
<i>If not employed at time of survey and not looking for work, reason<sup>b</sup></i>	100.0%
Ill health, disability, or other personal handicap	24.7
In jail	23.9
Other	51.4
<i>Earnings during the first 12 months after assignment to control group</i>	100.0%
\$1,000 and under	8.0
\$1,001-\$5,000	29.5
\$5,001-\$10,000	32.7
\$10,001-\$15,000	16.0
Over \$15,000	13.9
<i>Average earnings among the 70% of control group members who were employed</i>	\$8,204

**Source:** Martinez, John M., and Cynthia Miller. *Working and Earning: The Impact of Parents' Fair Share on Low-Income Fathers' Employment*. Manpower Demonstration Research Corporation, October 2000.

**Note:** Unless indicated otherwise, the sample size = 261.

<sup>a</sup> Sample size for this response = 180.

<sup>b</sup> Sample size for this response = 46.

Despite the previously mentioned similarity in employment rates, the work experience of nonresident fathers could differ from those of other young men. Noncustodial fathers might, for example, move from one short-term job to another or experience lengthy spells of unemployment between jobs. Indeed, unmarried fathers of recently born children who had jobs during a 12-month period in the late 1990s did not work consistently: they averaged just 38.5 weeks of employment, according to data from seven of the cities in the Fragile Families and Child Wellbeing Study.<sup>19</sup> Interestingly, as shown in **Table 3**, the number of weeks worked on average by cohabiting fathers was significantly more than those of fathers who were romantically involved with their partners but living apart from them and their children (39.6 and 36.3 weeks, respectively). However, married fathers who were interviewed as a comparison group had even steadier employment than cohabiting fathers (46.3 and 39.6 weeks, respectively). The relationship between marriage and employment stability might mean that men who wed possess labor market characteristics superior to those of other men or that marriage itself has a positive, independent effect on those who wed (e.g., provides motivation).<sup>20</sup>

Many of the noncustodial fathers of AFDC children in the Parents' Fair Share Demonstration who were not working at the time of the survey said they were looking for jobs (63.9%). As shown in **Table 2**, of those who were *not* searching for jobs, almost half reported being unable to work either because they were ill/disabled (24.7%) or because they were in jail (23.9%). The Fragile Families Study found that unmarried fathers of newborns were twice as likely as married fathers of newborns to have physical or psychological conditions that interfered with their ability to work, which could partly explain the fewer weeks worked by unwed fathers.<sup>21</sup>

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<sup>19</sup>Rich, Lauren M. Regular and Irregular Earnings of Unwed Fathers: Implications for Child Support Practices. *Children and Youth Services Review*, v. 23, no. 4/5. (Hereafter cited as Rich, *Regular and Irregular Earnings of Unwed Fathers*.) Note: The Fragile Families and Child Wellbeing Study is a national survey of predominantly unwed parents who were first interviewed between spring 1998 and fall 2000. The mothers and fathers were questioned almost immediately after the birth of their children, which produced high response rates — even for unmarried fathers (75%). The full sample of 3,712 births to unmarried parents covers 20 cities (Oakland and San Jose, CA; Jacksonville, FL; Chicago, IL; Indianapolis, IN; Boston, MA; Baltimore, MD; Detroit, MI; Newark, NJ; New York City, NY; Toledo, OH; Philadelphia and Pittsburgh, PA; Nashville, TN; Austin, Corpus Christi, and San Antonio, TX; Norfolk and Richmond, VA; and Milwaukee, WI) and is representative of all nonmarital births in cities with populations over 200,000. A comparison group of married parents with 1,188 births was interviewed as well.

<sup>20</sup>See, for example, Chapter 16 (Employment Patterns of Unwed Fathers and Public Policy) in Lerman, Robert I., and Theodora J. Ooms. *Young Unwed Fathers: Changing Roles and Emerging Policies*. Philadelphia, PA, Temple University Press, 1993. (Hereafter cited as Lerman and Ooms, *Young Unwed Fathers*.)

<sup>21</sup>Sigle-Rushton, Wendy, and Sara McLanahan. *For Richer or Poorer?* Center for Research on Child Wellbeing. Working Paper #01-17-FF.

## Earnings

The earnings of noncustodial fathers of AFDC children in the Parents' Fair Share Demonstration who worked in the mid-1990s averaged \$8,204, and a substantial minority (37.5%) earned just \$5,000 or less. (See **Table 2.**) A similar share of unmarried fathers of newborns in the Fragile Families Study who were employed during the late 1990s earned less than \$9,000. (See **Table 3.**) The average earnings of the unwed fathers in the Fragile Families Study were almost twice as high, at \$16,258, as those of Demonstration fathers assigned to the control group. Part of the disparity could be due to differences between the two surveys' samples: 46% of the partners of unmarried fathers in the Fragile Families Study received public assistance compared to all those in the Parents' Fair Share Demonstration, and 44% of the unwed fathers in the Fragile Families Study were cohabiting with their partners while 25% of Demonstration fathers were living with partners or spouses.

**Table 3. Employment and Earnings in the Formal Economy of Fathers of Recently Born Children by Relationship Status**

Employment and earnings characteristics	Unmarried fathers				Married fathers
	All	Co-habiting	Romantically involved	Uninvolved	
<i>% Employed last week</i>	76.1	<b>79.7<sup>a</sup></b>	70.6	73.6	<b>92.2<sup>b</sup></b>
<i>% Unemployed</i>	16.3	<b>14.5</b>	19.9	15.5	<b>3.6</b>
<i>Hourly wage</i>	100.0%	100.0%	100.0%	100.0%	100.0%
Under \$5.15	4.6	4.2	5.6	4.2	3.4
\$5.15-\$7.99	37.4	36.9	39.1	35.8	16.0
\$8.00-\$10.99	31.8	33.8	29.7	26.3	24.8
\$11.00 and over	26.2	25.1	25.6	33.7	55.8
<i>Average hourly wage</i>	\$10.02	\$10.09	\$9.78	\$10.31	<b>\$16.16</b>
<i>Annual earnings</i>	100.0%	100.0%	100.0%	100.0%	100.0%
Under \$9,000	40.0	35.3	49.1	40.4	11.5
\$9,000-\$12,999	15.5	16.6	14.4	12.1	10.3
\$13,000-\$19,999	13.9	15.1	10.9	16.2	10.8
\$20,000 and over	30.6	33.0	25.6	31.3	67.4
<i>Average annual earnings</i>	\$16,258	<b>\$17,252</b>	\$14,206	\$16,212	<b>\$33,505</b>

Employment and earnings characteristics	Unmarried fathers				Married fathers
	All	Co-habiting	Romantically involved	Uninvolved	
<i>Weekly hours</i>	100.0%	100.0%	100.0%	100.0%	100.0%
Under 20	2.5	3.0	1.9	2.5	1.9
20-29	6.8	5.8	9.6	4.2	1.1
30-39	13.2	11.0	16.8	15.0	7.5
40 and over	77.5	80.3	71.7	78.3	89.5
<i>Average weekly hours</i>	41.8	<b>42.7</b>	40.2	42.0	<b>46.1</b>
<i>Weeks worked</i>	100.0%	100.0%	100.0%	100.0%	100.0%
13 and under	15.3	13.9	17.9	15.6	4.7
14-26	8.8	7.5	11.0	10.4	3.6
27-39	10.0	9.9	11.0	8.7	4.2
40 and over	65.9	68.7	60.1	65.2	87.5
<i>Average weeks worked</i>	38.5	<b>39.6</b>	36.3	38.0	<b>46.3</b>

**Source:** Rich, Lauren M. Regular and Irregular Earnings of Unwed Fathers: Implications for Child Support Practices. *Children and Youth Services Review*, v. 23, no. 4/5.

<sup>a</sup> Italicized/bolded numbers in the cohabiting column indicate a statistically significant difference between cohabiting fathers and romantically involved fathers living apart from their children.

<sup>b</sup> Italicized/bolded numbers in the married column indicate a statistically significant difference between married and cohabiting fathers.

The level of fathers' earnings around the time of childbirth, such as reported in the Fragile Families Study, arguably understates their capacity over time to provide financial support to their offspring. The personal incomes of poor or near-poor noncustodial fathers living in Wisconsin who filed income tax returns more than tripled in the 7-year period following paternity action, rising from an average of \$5,221 to \$18,346 (in 1998 dollars). The personal incomes of noncustodial fathers of AFDC children grew to a lesser degree but nonetheless doubled, going from an average of \$10,161 to \$20,576, in the 7 years after paternity action.<sup>22</sup> Because the study omitted noncustodial fathers who did not file tax returns (e.g., the more economically disadvantaged) and because it is limited to one state, the fathers' income growth patterns could differ from results based upon a more representative sample. Indeed, another analysis based upon a nationally representative sample of youths found that the earnings of unwed fathers stagnated over a 4-year period. Those

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<sup>22</sup>Phillips, Elizabeth, and Irwin Garfinkel. Income Growth Among Nonresident Fathers: Evidence from Wisconsin. *Demography*, May 1993. v. 30, no. 2.

young unwed fathers who married during the 4-year period experienced a marked increase in earnings, however, which suggests that there may be something about unwed fatherhood status *per se* that hampers earnings growth.<sup>23</sup>

Earnings based solely on the participation of noncustodial fathers in the formal economy also could understate their economic circumstances as a sizeable minority (27.8%) reported in the Fragile Families Study that they also worked in the underground economy.<sup>24</sup> Work in the informal economy raised the average earnings of unwed fathers who worked in both sectors by 20% to \$19,416: \$3,293 earned in the informal sector; \$16,122 in the formal sector. While some might interpret this finding to mean that nonresident fathers are able to pay additional child support, others might conclude that the considerable share who work in the underground economy reflects their precarious economic situation. The researcher estimated that fathers with less than a high school education, who drink a substantial quantity of alcohol, and who report any drug use are more likely than other fathers to work in the underground economy, which they might do to compensate for the difficulty they have getting and keeping jobs in the formal sector.<sup>25</sup>

Earnings/income estimates from several studies of noncustodial fathers fall between \$11,071 and \$26,441 (in 1998 dollars). The studies covered nonresident fathers of AFDC children, young nonresident fathers, divorced/separated nonresident fathers, and all nonresident fathers as reported in small samples covering one area or in nationally representative surveys. The average annual earnings of the fathers in these 15 studies were \$17,533.<sup>26</sup> The range of earnings/income within the population of nonresident fathers highlights the diversity of the group and suggests the use of only its poorest members as a proxy for those whose children are dependent on government assistance. “In short, poor children have poor fathers.”<sup>27</sup> Although studies may have found that the *average* earnings/income of noncustodial fathers typically exceeds the poverty level and thus they could conceivably be candidates for marriage or they could afford to pay child support, at least some of these fathers appear to have too few funds to adequately sustain themselves.

Based on a CRS analysis of data from the 1999 round of the National Survey of America’s Families, which is a nationally representative sample of the civilian

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<sup>23</sup>Lerman and Ooms, *Young Unwed Fathers*.

<sup>24</sup>The analysis broadly defined the underground economy to cover legal, quasi-legal, and illegal activities (e.g., work performed off-the-books, unreported self-employment, selling stolen goods or illicit drugs, running numbers, burglary, or robbery). Of those who reported work in the informal sector, 76% performed work under-the-table, 24% worked in their own business, 13% had earnings from “hustles,” and 12% reported earnings from “other” underground activities.

<sup>25</sup>Rich, *Regular and Irregular Earnings of Unwed Fathers*.

<sup>26</sup>*Ibid.*

<sup>27</sup>Robertson, John G. Young Nonresidential Fathers have Lower Earnings: Implications for Child Support Enforcement. *Social Work Research*, v. 21, no. 4. December 1997.

noninstitutional population under age 65,<sup>28</sup> the vast majority of nonresident fathers are not poor: the earnings of 77.0% of noncustodial fathers exceeded the poverty threshold of \$8,840 for a person under age 65 living alone in 1998. (Henceforth, these individuals will be called “nonpoor fathers” and persons whose earnings were below \$8,840 will be called “poor fathers.”) In addition, most nonresident fathers do not live in poor families: 67.2% of noncustodial fathers had family income that was at least 200% of the poverty line in 1998.<sup>29</sup> Nonpoor nonresident fathers are likely to have family incomes at least 200% above the poverty line (79.2%), while low-paid fathers are likely to live in families with incomes below the poverty threshold for their family size (60.3%).

As shown in **Table 4**, poor and nonpoor noncustodial fathers differ in many aspects. Poor nonresident fathers tend to be younger, are twice as likely to be black, and are much more often in poor/fair health compared to the nonpoor group. Their educational attainment also varies greatly: the share of poor nonresident fathers with less than a high school degree or GED — 34.7% — is double the share among the nonpoor group. In addition, the employment rate among poor nonresident fathers is much lower, with just over one-half of poor fathers holding jobs in 1999 compared to virtually all nonpoor fathers.

**Table 4. Characteristics of Poor and Nonpoor Nonresident Fathers**

Characteristic	Poor <sup>a</sup>	Nonpoor
<i>Age</i>	100.0%	100.0%
Under 25	19.5	4.1
25-34	28.9	29.6
35-44	25.8	43.8
45 and over	25.7	22.5
<i>Race/ethnicity</i>	<sup>b</sup>	<sup>b</sup>
Black	43.7	20.4
White	53.8	75.8
Other	2.4	3.9
Hispanic	18.1	15.0

<sup>28</sup>The National Survey of America’s Families (NSAF) is conducted by Westat for the Urban Institute and Child Trends. In addition to NSAF being limited to persons residing in households (e.g., it excludes persons residing in jails or in military barracks), CRS did not adjust the sample weights for census undercounts of certain population groups (e.g., young black men) or for underreporting of nonresident father status. The Urban Institute has estimated that the survey picks up about 67% of all nonresident fathers in the population.

<sup>29</sup>The 1998 poverty threshold varied based on the particular family situation of the nonresident father. If he lived alone, the poverty line was for a family of one; if he remarried and lived with his spouse and two children, the poverty line was for a family of four.



<b>Characteristic</b>	<b>Poor<sup>a</sup></b>	<b>Nonpoor</b>
<b><i>Health status</i></b>	100.0%	100.0%
Poor or fair	30.4	9.8
Good, very good, or excellent	69.6	90.2
<b><i>Highest level of education</i></b>	100.0%	100.0%
Less than high school diploma or equivalent	34.7	17.0
High school diploma or GED	45.4	44.2
Postsecondary courses, no degree or certificate	8.1	13.6
Associate degree or vocational/technical certificate	7.6	11.5
Bachelors degree or higher	4.2	13.7
<b><i>Annual earnings</i></b>	100.0%	100.0%
\$1-\$5,000	61.3	0.0
\$5,001-\$10,000	38.7	3.5
\$10,001-\$30,000	0.0	52.0
\$30,001 or more	0.0	44.5
<b><i>Average annual earnings</i></b>	\$4,221	\$34,967
<b><i>Occupation</i></b>	100.0%	100.0%
Professional, managerial, and technical workers	15.4	21.7
Sales workers	17.0	9.8
Administrative support, including clerical workers	1.9	3.6
Service workers	12.3	9.9
Precision production, craft, and repair workers	21.5	23.7
Machine operators, fabricators, and transportation/material moving occupations	6.0	23.3
Laborers	19.9	6.2
Farming, forestry, and fishing occupations	6.0	1.7
<b><i>Weeks worked</i></b>	100.0%	100.0%
Under 14	19.4	1.2
14-26	35.4	2.1
27-39	16.8	6.9
40 and over	28.4	89.8
<b><i>Average weeks worked</i></b>	29.9	48.6
<b><i>Average hours worked</i></b>	35.8	47.9

Characteristic	Poor <sup>a</sup>	Nonpoor
<b><i>Full-time/part-time status</i></b>	100.0%	100.0%
Full-time <sup>c</sup>	64.0	96.5
Part-time	36.0	3.5
<b><i>Labor force status</i></b>	100.0%	100.0%
Working	52.8	94.4
Looking for work	13.6	4.3
Not in labor force	33.6	1.3
<b><i>Unemployment rate</i></b>	20.4	4.4
<b><i>Main reason for not working</i></b>	100.0%	100.0%
Ill/disabled and unable to work	61.1	4.1
Cannot find work	10.1	22.4
Going to school	9.8	3.5
Business closed/d downsized/laid off	1.1	10.5
All other	17.9	59.5

**Source:** CRS analysis of data from the 1999 round of the National Survey of America's Families.

<sup>a</sup> The poverty line for a person under age 65 living alone was \$8,840 in 1998.

<sup>b</sup> Race/ethnicity percentages add to more than 100% because Hispanics can be of any race.

<sup>c</sup> Thirty-five or more hours per week.

Among employed noncustodial fathers, the average annual earnings of poor men were \$4,221 while those of nonpoor men were \$34,967 in 1998. A partial explanation for the lower average earnings of poor as against nonpoor nonresident fathers is that the former more often are employed in typically low-wage occupations (e.g., as laborers). In addition, poor nonresident fathers generally work fewer weeks in a year compared to nonpoor fathers (i.e., an average of 29.9 versus 48.6 weeks, respectively, in 1998). They also are more frequently employed part-time compared to nonpoor fathers (i.e., 36.0% and 3.5%, respectively, worked fewer than 35 hours per week in 1998). The less than full-year, full-time employment pattern that is more typical of poor than nonpoor noncustodial fathers might be partly related to health status: 27.1% of poor as opposed to 9.9% of nonpoor nonresident fathers reported having a health condition that limited the kind or amount of work they could perform; and among poor noncustodial fathers who were not working or not seeking work, 61.1% said they were ill/disabled and unable to work while this was true for just 4.1% of their nonpoor counterparts.

Limiting the analysis to members of the labor force (i.e., those working or seeking work), the unemployment rate of poor nonresident fathers was 20.4% in 1999, or almost five times the rate of the nonpoor group (4.4%). This is in part a

reflection of the typically lower educational attainment of poor noncustodial fathers and the inverse relationship between schooling level and unemployment.<sup>30</sup>

According to the CRS analysis, most nonresident fathers who contributed financially to their children under age 18 who were living apart from them were *not* poor (83.1%). Despite the labor market handicaps reported by poor noncustodial fathers, 56.7% provided economic support. Alternatively, 43.3% of fathers who were impoverished based on their personal earnings did not make child support payments. Although many more nonpoor than poor nonresident fathers provided financial support, 17.8% of the nonpoor group did not contribute to the financial well-being of their children who were living away from them. It is numbers like these that have prompted some observers: (1) to distinguish between noncustodial fathers, labeling some “deadbeats” and others “deadbroke” or “turnips” (as in you-can’t-get-blood-from-a-turnip), and (2) to recommend that the two groups be the focus of different policies in order to reduce the welfare dependency of their former partners and offspring.<sup>31</sup>

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<sup>30</sup>See footnote 12.

<sup>31</sup>Mincy, Ronald B., and Elaine J. Sorenson. Deadbeats and Turnips in Child Support Reform. *Journal of Policy Analysis and Management*, v. 17, no. 1. 1998; and Sorenson, Elaine, and Chava Zibman. Getting to Know Poor Fathers Who Do Not Pay Child Support. *Social Service Review*, September 2001.