

Secure Parental Employment

DEFINITION

Secure parental employment is the percentage of children living with at least one parent who has full-time, year-round employment.

SIGNIFICANCE

Secure parental employment increases family income and reduces poverty. Children with parents who have steady employment are more likely to have access to health care. Secure parental employment improves family functioning by reducing the stress brought on by unemployment and underemployment of parents.¹ Among poor families, children with working parents are more engaged academically and less likely to repeat a grade or be suspended or expelled from school than children with non-working parents.²

In December 2015, Rhode Island's unemployment rate was 5.4%, higher than the U.S. unemployment rate of 5.0%, and the nineteenth highest in the nation. However, it was considerably lower than at the height of Rhode Island's recession in December 2009, when the unemployment rate was 11.2%.^{3,4}

In 2014, Rhode Island had the highest rate of children with at least one unemployed parent (9%), compared to the U.S. average of 7%.⁵ Children with unemployed parents are at increased risk for homelessness, child abuse or

neglect, and failure to finish high school or college.^{6,7}

Between 2010 and 2014, 72% of children under age six and 77% of children ages six to 17 in Rhode Island had all parents in the labor force. In comparison, nationally, 65% of children under age six and 71% of children ages six to 17 had all parents in the labor force.⁸

Even when families have adults with secure parental employment, low wages cause many families to remain in poverty. Nationally, nearly one in three (32%) working families with children are low income (10.4 million working families with a total of 23.5 million children).⁹ In the workforce, low-income individuals tend to have few opportunities for development, limited benefits, and an overall lack of economic security. In addition, despite gaining experience and seniority, many low-income workers never move out of low-wage jobs.¹⁰

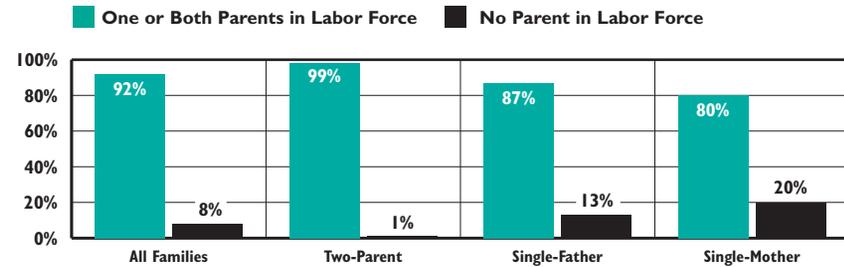
Children Living in Families Where No Parent Has Full-Time, Year-Round Employment		
	2009	2014
RI	31%	32%
US	31%	30%
National Rank*		33rd
New England Rank**		5th

*1st is best; 50th is worst

**1st is best; 6th is worst

Source: The Annie E. Casey Foundation, KIDS COUNT Data Center, datacenter.kidscount.org

Employment Status of Parents by Family Type, Rhode Island, 2010-2014



Source: U.S. Census Bureau, American Community Survey, 2010-2014. Table B23008.

- ◆ The majority of children living in Rhode Island between 2010 and 2014 had one or both parents in the labor force. Children living with a single parent were 20 times more likely than children living in a two-parent family to have no parents in the labor force. Of children in two-parent families, 72% had both parents in the labor force.¹¹
- ◆ Between 2010 and 2014, there were 16,603 Rhode Island children living in families with no parent in the labor force. Children living in families with a single parent represented 91% (15,136) of families with no employed parents.¹²
- ◆ Between 2010 and 2014, 15% (3,835) of Rhode Island families with incomes below the federal poverty threshold had at least one adult with full-time, year-round employment.¹³ Between 1998 and 2013, the percentage of Rhode Island children living in low-income families (below 200% of the federal poverty threshold) with no employed parents fell from 34% to 25%.^{14,15}
- ◆ According to the 2014 *Rhode Island Standard of Need*, 82% of Rhode Island single parent families and 26% of two-parent families with two or more children earn less than the income required to meet their basic needs without public benefits such as SNAP/food stamps, the Earned Income Tax Credit (EITC), child care subsidies, and health insurance.¹⁶

Barriers to Secure Employment for Low-Income Families

- ◆ There are many barriers to employment for those leaving welfare for work. Research shows that welfare leavers who return to welfare after working are much more likely to be in poor health, to have low levels of education, and to have young children than those who remain employed.¹⁷
- ◆ Poor health or a disability may make it difficult for parents to secure or sustain employment. One national study found that 13% of low-income working mothers had some type of disability and 6% had a severe disability. It also found that 16% of low-income working mothers had a child with a disability and that 9% had a child with a severe disability. Higher-income mothers reported lower disability rates for themselves and their children.¹⁸
- ◆ Low-income workers are less likely to have benefits, such as paid time off and flexible work schedules, that would allow them to address the needs of sick children.^{19,20} Approximately 60% of the entire U.S. workforce qualifies for the federal *Family and Medical Leave Act (FMLA)*, but many who are eligible cannot afford to take it.²¹ In 2013, Rhode Island passed legislation that created the Temporary Caregivers Insurance Program (TCI), which provides up to four weeks of benefits for workers who need to care for a seriously ill family member or to bond with a newborn, foster, or adopted child.²² Rhode Island is one of three states that offer paid family leave.²³
- ◆ Limited education also can be a barrier to sustained employment. Between 2010 and 2014 in Rhode Island, adults without a high school diploma were nearly four times as likely to be unemployed as those without a Bachelor's degree.²⁴
- ◆ Having access to work supports, such as health insurance, SNAP/food stamp benefits, and child care subsidies, can facilitate steady employment over time. Researchers have found links between these programs and positive employment outcomes for parents regarding work stability and earnings.²⁵

Secure Employment and Child Care

- ◆ Research shows a link between adequate child care availability and sustained maternal labor force participation. Studies find that mothers report that the lack of reliable and dependable child care arrangements affected their ability to remain employed.²⁶
- ◆ In Rhode Island, a single mother earning the state median income for a single-mother family (\$26,155) would have to spend 49.2% of her income to pay for child care for an infant in center-based care.²⁷
- ◆ In Rhode Island, child care assistance is available to income-eligible working families. During the 2007 legislative session, eligibility for child care assistance was rolled back from 225% to 180% of the federal poverty level (\$36,288 for a family of three in 2016).^{28,29}

Rhode Island Earned Income Tax Credit (EITC)

- ◆ State and federal Earned Income Tax Credits (EITCs) provide tax reductions and wage supplements for low- and moderate-income working families. EITCs reduce child poverty, decrease taxes, and increase work incentives for families struggling to make ends meet. The federal EITC is the nation's most effective antipoverty program for working families. It lifted 6.2 million people, over half of them children, out of poverty in 2013.^{30,31}
- ◆ The EITC's benefits extend well beyond the time families receive the credit. EITC recipients are more likely to work and earn higher wages, and their children do better in school, are more likely to attend college, and earn more as adults.³²
- ◆ State EITCs can supplement the federal EITC to further support working families. In 2015, the Rhode Island General Assembly passed legislation that increased the state's EITC from 10% to 12.5% of the federal EITC. In 2014, 84,091 Rhode Island working families and individuals received a total of \$190 million in EITC tax credits for tax year 2013.³³

References

¹ Federal Interagency Forum on Child and Family Statistics. (2015). *America's children: Key national indicators of well-being, 2015*. Washington, DC: U.S. Government Printing Office.

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