

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. 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.^{1,2}

Rhode Island's unemployment rate decreased from 4.9% in December 2016 to 4.4% in December 2017. Despite this decline, Rhode Island's unemployment rate is slightly higher than the U.S. unemployment rate of 4.1%. At the height of the recession in December 2009, Rhode Island's unemployment rate was 11.2%.^{3,4}

In 2017, 6% of children in Rhode Island and 5% of children in the U.S. had at least one unemployed parent.⁵ Children with unemployed parents are at increased risk for homelessness, child

abuse or neglect, and failure to finish high school or college.⁶

Even when families have adults with secure parental employment, low wages cause families to remain in poverty. Nationally, nearly one in three (32%) working families are low income (10.6 million), with 24 million children belonging to low-income working families. Additionally, people of color are overrepresented among low-income working families nationally. Of the 24 million children in low-income working families, 58% (14 million) are people of color.⁷ 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.⁸

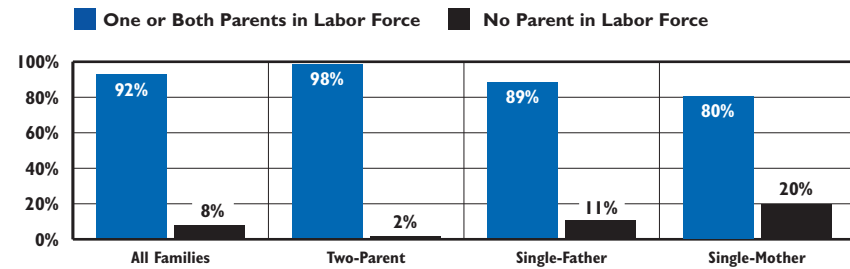
Children Living in Families Where No Parent Has Full-Time, Year-Round Employment		
	2010	2016
RI	34%	31%
US	33%	28%
National Rank*		38 th
New England Rank**		6 th

*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, 2012-2016



Source: U.S. Census Bureau, American Community Survey, 2012-2016. Table B23008.

- ◆ The majority of children living in Rhode Island between 2012 and 2016 had one or both parents in the labor force. Children living with a single parent were 12 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, 71% had both parents in the labor force.⁹
- ◆ Between 2012 and 2016, there were 16,377 Rhode Island children living in families with no parent in the labor force. Children living in families with a single parent represented 88% (14,475) of families with no employed parents.¹⁰
- ◆ Between 2012 and 2016, 15% (3,680) of Rhode Island families with incomes below the federal poverty threshold had at least one adult with full-time, year-round employment, and 43% of low-income Rhode Island families had at least one adult working part-time.¹¹
- ◆ According to the 2016 *Rhode Island Standard of Need*, 72% 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.¹²
- ◆ Between 2012 and 2016, 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.¹³

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.¹⁴
- ◆ 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.¹⁵
- ◆ 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.¹⁶ 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.¹⁷ In 2013, Rhode Island passed legislation that created the Temporary Caregivers Insurance (TCI) Program, 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.¹⁸ As of January 2018, Rhode Island is one of four states that offer paid family leave.¹⁹
- ◆ Limited education also can be a barrier to sustained employment. Between 2012 and 2016 in Rhode Island, adults without a high school diploma were nearly four times as likely to be unemployed as those with a Bachelor's degree.²⁰
- ◆ Having access to work supports, such as tax credits, SNAP/food stamps, and housing subsidies, can facilitate steady employment over time. Researchers have found links between these programs and positive employment outcomes for parents such as work stability and earnings.²¹

References

¹ Federal Interagency Forum on Child and Family Statistics. (2017). *America's children: Key national indicators of well-being, 2017*. Washington, DC: U.S. Government Printing Office.

² Isaacs, J. (2013). *Unemployment from a child's perspective*. Washington, DC: Urban Institute and First Focus.

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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.²²
- ◆ In 2016 in Rhode Island, a single mother earning the state median income for a single-mother family (\$25,901) would have to spend half (50.4%) of her income to pay for child care for an infant in center-based care.²³
- ◆ In Rhode Island, child care assistance is available to all 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 (\$37,404 for a family of three in 2018).^{24,25}

Earned Income Tax Credit (EITC) and Child Tax Credit (CTC)

- ◆ 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 6.5 million people, including 3.3 million children, out of poverty in 2015.^{26,27}
- ◆ Benefits of the EITC 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.²⁸
- ◆ State EITCs can supplement the federal EITC to further support working families. In 2016, the Rhode Island General Assembly passed legislation that increased the state's EITC from 12.5% to 15% of the federal EITC. In 2016, approximately 84,000 Rhode Island working families and individuals received a total of \$190 million in EITC tax credits for tax year 2015.²⁹
- ◆ Since 2001, the Child Tax Credit has helped working families offset the cost of raising children. The CTC is a powerful weapon against poverty, lifting 2.7 million people out of poverty in 2016, including 1.5 million children. Boosting a family's income can increase children's opportunities, improve their immediate well-being and health into adulthood.³⁰