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## CHAPTER VII: FACTORS ASSOCIATED WITH LENGTH OF WELFARE PARTICIPATION

The administrative data files provide extensive information about the characteristics of welfare cases and the individuals in each case. In this chapter, we examine whether any of these characteristics influenced the number of months that families in the four entry cohorts received cash assistance.

A total of six specific characteristics are examined in this chapter in terms of how they may be related to the length of welfare receipt, as follows:

- o prior work experience – whether any individual in the case had wages reported in the unemployment insurance system prior to entry into AFDC or Work First;<sup>1</sup>
- o the education level of the casehead — the casehead is the individual in the case receiving the cash assistance payment. If more than one person received a cash assistance payment, or if the person receiving the payment was not part of the case, the education level of the oldest member of the case was used. Child-only cases were excluded;
- o the age of the casehead;
- o ethnicity of the casehead;
- o the number of children in the case; and
- o the type of county in which the family resided – the counties of North Carolina were classified as rural, urban or metropolitan.

Overall, we found that there were differences in welfare receipt among families based on each of the above factors.

### A. PRIOR WORK EXPERIENCE

Our assumption was that persons with prior work history would be more likely to become self-sufficient than other welfare recipients. Persons with prior work experience are more likely to be accustomed to the workplace, to perform an effective job search, and be attractive to employers.

The work history information from the longitudinal database indicates whether each individual in an AFDC or Work First case was employed for each quarter from the fourth quarter of 1994 through the second quarter of 1999. We identified a case as having prior work

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<sup>1</sup> We have information available for only one quarter, the fourth quarter of 1994, for the AFDC cohort who entered in February 1995.

experience if any adult in the case had been reported as employed for any two-quarter period immediately prior to program entry. For the AFDC cohort, which entered welfare in February 1995, we had data for only one complete quarter prior to program entry. Therefore, we included the first quarter of 1995 in determining whether a person in the AFDC entry cohort had a work history. In cases where a cohort member had worked in March 1995 but not in January or February 1995, we deleted the case from the analysis.

*Exhibit VII-1: Welfare Participation by Prior Work Experience in the AFDC and Work First Entry Cohorts*, shows that prior work experience had some effect upon the number of months families received cash assistance benefits, especially among the Work First cohorts. Among the September 1996 entry cohort, 45.9 percent of persons with a work history were on assistance for 6 months or less, compared to only 32.5 percent of the persons without a work history. Of those with a work history, only 10.9 percent received assistance for more than 24 months, compared to 18.6 percent of those without a work history. For the June 1997 entry cohort, 56.7 percent of persons with no work history spent more than 7 months on welfare during the first 12 months after entry, compared to only 44.7 percent of persons with a work history. Among the June 1998 exit cohort, a similar pattern was observed.

Among the AFDC cohort, the differences were less pronounced. However, only 20.6 percent of the persons with a work history were on assistance for more than 24 months, compared to 28.4 percent of those without a work history.

## **B. EDUCATION LEVEL OF CASEHEAD**

The administrative information systems used for this study capture some information on education level for the adults in the case. However, we found there were many cases for which the information had not been entered. Among the families for which we could determine the education level of the casehead, *Exhibit VII-2: Welfare Participation by Education Level*, shows the number of months each family received cash assistance benefits during specific follow-up periods. Educational level is divided into three categories: less than a high school diploma or GED; high school diploma or GED; and some education beyond secondary school, such as some college or a college degree. The education level of the casehead at the time of program entry was used to assign cases to categories.

In the AFDC and September 1996 cohorts, the families in which the casehead had a high school diploma but no college received benefits for the fewest months. Among the AFDC cohort, caseheads with some post-secondary education were next, and caseheads with less than a high school diploma received benefits for the greatest number of months. There was no such difference in the September 1996 cohort.

**Exhibit VII-1  
WELFARE PARTICIPATION BY PRIOR WORK EXPERIENCE,  
AFDC AND WORK FIRST ENTRY COHORTS**

Total Months Receiving Benefits Out of First 36 Months After Entry	AFDC COHORT FEB 95		WORK FIRST COHORT SEP 96	
	Work History	No Work History	Work History	No Work History
6 or Fewer	31.4%	25.8%	45.9%	32.5%
7 to 12	22.3%	19.4%	23.2%	24.0%
13 to 18	14.2%	14.4%	13.6%	13.9%
19 to 24	11.5%	11.9%	7.6%	11.1%
25 to 30	8.1%	9.0%	5.3%	7.5%
31 to 33	4.3%	5.1%	1.7%	3.3%
34 to 36	8.2%	14.3%	2.7%	7.8%
TOTAL	100.0% (N=3563)	100.0% (N=1445)	100.0% (N=2013)	100.0% (N=1030)

  

Total Months Receiving Benefits Out of First 12 Months After Entry	WORK FIRST COHORT JUN 97		WORK FIRST COHORT JUN 98	
	Work History	No Work History	Work History	No Work History
6 or Fewer	55.3%	43.3%	57.8%	43.1%
7 to 12	44.7%	56.7%	42.2%	56.9%
TOTAL	100.0% (N=1668)	100.0% (N=849)	100.0% (N=1128)	100.0% (N=583)

Among the Work First June 1997 entry cohort, persons with some college had slightly longer welfare spells than other families. Among these other families, there was no difference between persons with high school diplomas and those without diplomas.

Among the June 1998 entry cohort, we see that the expected pattern is beginning to emerge. Persons with some college had the shortest welfare spells, while those without a high school diploma had the longest. It is possible that this finding may reflect the gradual phasing out of post-secondary education as an approved activity under the Work First program, but further analysis is necessary to determine the precise reason for this emerging situation.

**Exhibit VII-2**

**WELFARE PARTICIPATION BY EDUCATION LEVEL  
AMONG THE ENTRY COHORTS**

Total Months Receiving Benefits Out of First 36 Months After Entry	AFDC COHORT FEB 95			WORK FIRST COHORT SEP 96		
	LESS THAN HS	HS DIPLOMA	SOME POST-SECONDARY	LESS THAN HS	HS DIPLOMA	SOME POST-SECONDARY
6 or Fewer	13.7%	24.0%	16.8%	27.5%	36.9%	28.2%
7 to 12	17.9%	22.1%	20.6%	19.7%	23.4%	25.7%
13 to 18	15.3%	13.1%	16.8%	18.6%	17.0%	16.6%
19 to 24	13.1%	13.7%	15.2%	11.9%	12.1%	13.6%
25 to 30	11.8%	10.9%	12.2%	10.8%	7.8%	7.3%
31 to 33	9.4%	4.7%	5.7%	3.2%	2.1%	3.0%
34 to 36	18.7%	11.5%	12.6%	8.4%	0.7%	5.6%
TOTAL	100.0% (N=753)	100.0% (N=321)	100.0% (N=802)	100.0% (N=371)	100.0% (N=141)	100.0% (N=603)
Total Months Receiving Benefits Out of First 12 Months After Entry	WORK FIRST COHORT JUN 97			WORK FIRST COHORT JUN 98		
	LESS THAN HS	HS DIPLOMA	SOME POST-SECONDARY	LESS THAN HS	HS DIPLOMA	SOME POST-SECONDARY
6 or Fewer	38.5%	39.8%	35.2%	41.8%	47.6%	52.1%
7 to 12	61.5%	60.2%	64.8%	58.2%	52.4%	47.9%
TOTAL	100.0% (N=387)	100.0% (N=123)	100.0% (N=505)	100.0% (N=79)	100.0% (N=21)	100.0% (N=94)

**C. AGE OF CASEHEAD**

As shown in *Exhibit VII-3: Welfare Participation by Age of Casehead*, months on cash assistance were greatest among the youngest age group (18-21) and the oldest age group (41 and older) for the AFDC and the September 1996 entry cohorts. Among the June 1997 and June 1998 entry cohorts, months on welfare were longer for the youngest age group than for the other age groups. There was less of a difference between the other age groups..

**Exhibit VII-3  
WELFARE PARTICIPATION BY AGE OF CASEHEAD**

**AMONG THE ENTRY COHORTS**

Total Months Receiving Benefits Out of First 36 Months After Entry	AFDC COHORT FEB 95				WORK FIRST COHORT SEP 96			
	18 to 21	22 to 30	31 to 40	41 and over	18 to 21	22 to 30	31 to 40	41 and over
6 or Fewer	24.2%	30.1%	36.8%	38.3%	28.5%	47.2%	49.8%	40.3%
7 to 12	18.5%	22.9%	21.8%	22.7%	23.2%	23.3%	22.6%	29.6%
13 to 18	13.9%	14.8%	14.6%	12.7%	15.1%	12.1%	12.9%	13.3%
19 to 24	12.7%	10.9%	10.1%	8.0%	12.2%	8.1%	6.5%	5.2%
25 to 30	11.9%	8.0%	6.5%	4.7%	9.0%	4.5%	4.2%	4.7%
31 to 33	5.4%	4.7%	3.6%	3.3%	3.7%	1.7%	1.1%	1.3%
34 to 36	13.4%	8.5%	6.6%	10.3%	8.3%	3.1%	2.9%	5.6%
TOTAL	100.0% (N=1074)	100.0% (N=2090)	100.0% (N=1253)	100.0% (N=300)	100.0% (N=624)	100.0% (N=1264)	100.0% (N=898)	100.0% (N=233)

  

Total Months Receiving Benefits Out of First 12 Months After Entry	WORK FIRST COHORT JUN 97				WORK FIRST COHORT JUN 98			
	18 to 21	22 to 30	31 to 40	41 and over	18 to 21	22 to 30	31 to 40	41 and over
6 or Fewer	40.2%	56.7%	60.1%	59.3%	45.2%	50.0%	61.8%	50.0%
7 to 12	59.8%	43.3%	39.9%	40.7%	54.8%	50.0%	38.2%	50.0%
TOTAL	100.0% (N=595)	100.0% (N=973)	100.0% (N=667)	100.0% (N=236)	100.0% (N=42)	100.0% (N=144)	100.0% (N=76)	100.0% (N=18)

**D. ETHNICITY OF THE CASEHEAD**

*Exhibit VII-4: Welfare Participation by Ethnicity* presents data on welfare participation among the four entry cohorts, by ethnicity. The data indicate that white recipients had shorter welfare stays than black recipients in all four cohorts. Among the AFDC entry cohort, 38.2 percent of whites were on welfare for 6 months or less during the first 36 months after entry, compared to 24.5 percent of blacks. About 16.1 percent of whites received welfare for 25 or more months, compared to 30.1 percent of blacks. Among the Work First September 1996 entry cohort, 47.4 percent of whites and 3.43 percent of blacks were on welfare for six months or less. About 9.9 percent of whites and 20.5 percent of blacks were on welfare for 25 months

**Exhibit VII-4  
WELFARE PARTICIPATION BY ETHNICITY OF CASEHEAD  
AMONG THE ENTRY COHORTS**

Total Months Receiving Benefits Out of First 36 Months After Entry	AFDC COHORT FEB 95		WORK FIRST COHORT SEP 96	
	White	Black	White	Black
6 or Fewer	38.2%	24.5%	47.4%	34.3%
7 to 12	22.9%	19.3%	25.2%	20.9%
13 to 18	14.3%	13.7%	11.5%	14.1%
19 to 24	8.6%	12.4%	6.4%	10.1%
25 to 30	6.4%	9.6%	3.6%	7.3%
31 to 33	3.0%	5.7%	1.3%	3.0%
34 to 36	6.7%	14.8%	4.7%	10.2%
TOTAL	100.0% (N=2447)	100.0% (N=3295)	100.0% (N=1632)	100.0% (N=2074)
Total Months Receiving Benefits Out of First 12 Months After Entry	WORK FIRST COHORT JUN 97		WORK FIRST COHORT JUN 98	
	White	Black	White	Black
6 or Fewer	57.3%	43.9%	58.5%	43.9%
7 to 12	42.7%	56.1%	41.5%	56.1%
TOTAL	100.0% (N=1251)	100.0% (N=1815)	100.0% (N=832)	100.0% (N=1348)

or more. Although there were differences between the two groups in length of stay on welfare, both groups had shorter average stays under work first.

Among the June 1997 entry cohort, 56.1 percent of black families were on assistance for more than six months in the first 12 months after entry, compared to 42.7 percent of white families. A similar pattern was true for the September 1998 entry cohort.

*Exhibit VII-5: Welfare Participation by Ethnicity at Specific Follow-Up Intervals* also shows that whites had shorter welfare spells than blacks. For example, at 24 months after entry, 35.5 percent of blacks in the AFDC entry cohort were still on welfare, compared to 21.1 percent of whites. For the September 1996 exit cohort, 24.4 percent of blacks were still on welfare after two years, compared to 13.5 percent of whites.

**Exhibit VII-5  
WELFARE PARTICIPATION BY ETHNICITY  
AT SPECIFIC FOLLOW-UP INTERVALS  
AMONG THE ENTRY COHORTS**

(Percentage of cohorts receiving cash benefits)

MONTHS SINCE ENTRY	AFDC COHORT FEB 95		WORK FIRST COHORT SEP 96	
	White	Black	White	Black
Entry Month	100.0%	100.0%	100.0%	100.0%
6	60.8%	71.8%	56.6%	68.7%
12	37.1%	52.1%	29.1%	45.2%
18	27.7%	42.8%	18.8%	32.4%
24	21.1%	35.5%	13.5%	24.4%
30	16.3%	31.2%	9.8%	19.6%
36	13.5%	24.9%	7.6%	15.2%
MONTHS SINCE ENTRY	WORK FIRST COHORT JUN 97		WORK FIRST COHORT JUN 98	
	White	Black	White	Black
Entry Month	100.0%	100.0%	100.0%	100.0%
6	50.2%	62.1%	49.9%	61.3%
12	27.3%	40.1%	25.1%	39.2%
18	15.7%	27.3%		
24	13.3%	22.1%		

Among the June 1997 entry cohort, a similar pattern exists, with 22.1 percent of black families still on welfare after two years, compared to 13.3 percent of whites. Among the June 1998 exit cohort, 39.2 percent of black families were still on welfare after one year, compared to 25.1 percent of whites. Both of these percentages, however, are lower than among the two original cohorts.

**E. NUMBER OF CHILDREN**

Among the families in the AFDC cohort, receipt of cash assistance was not substantially influenced by the number of children in the case, as shown in *Exhibit VII-6: Welfare Participation by Number of Children*. Among the September 1996 cohort, however, those with two or more children were somewhat more likely to have received benefits for fewer than six months and were less likely to have received benefits for more than two years.

**Exhibit VII-6  
WELFARE PARTICIPATION BY NUMBER OF CHILDREN  
AMONG THE ENTRY COHORTS**

Total Months Receiving Benefits in the First 36 Months After Entry	AFDC COHORT FEB 95			WORK FIRST COHORT SEP 96		
	ONE CHILD	TWO CHILDRE N	THREE OR MORE CHILDRE N	ONE CHILD	TWO CHILDRE N	THREE OR MORE CHILDRE N
6 or Fewer	31.5%	32.1%	28.4%	36.0%	45.9%	45.1%
7 to 12	20.5%	23.2%	19.8%	22.4%	24.2%	23.2%
13 to 18	13.4%	14.0%	15.6%	13.5%	11.5%	12.3%
19 to 24	10.6%	10.1%	11.5%	9.4%	7.2%	7.0%
25 to 30	7.9%	7.7%	8.5%	6.1%	4.0%	6.6%
31 to 33	4.6%	3.9%	5.2%	2.5%	1.8%	2.1%
34 to 36	11.5%	8.9%	11.1%	10.1%	5.4%	3.7%
TOTAL	100.0% (N=2958)	100.0% (N=1422)	100.0% (N=732)	100.0% (N=2149)	100.0% (N=943)	100.0% (N=514)
Total Months Receiving Benefits in the First 12 Months After Entry	WORK FIRST COHORT JUN 97			WORK FIRST COHORT JUN 98		
	ONE CHILD	TWO CHILDRE N	THREE OR MORE CHILDRE N	ONE CHILD	TWO CHILDRE N	THREE OR MORE CHILDRE N
6 or Fewer	45.6%	54.5%	55.1%	45.4%	57.5%	57.0%
7 to 12	54.4%	45.5%	44.9%	54.6%	42.5%	43.0%
TOTAL	100.0% (N=1792)	100.0% (N=802)	100.0% (N=403)	100.0% (N=1459)	100.0% (N=494)	100.0% (N=277)

Among the June 1997 and the June 1998 entry cohorts, families with one child spent more months on welfare than larger families. The exact reason for this pattern is not clear. It is possible, however, that extraneous factors are responsible for this finding. For example, families with one child may be more concentrated in urban areas than larger families.

**F. COUNTY TYPE**

The Association of County Social Services Directors has developed a classification scheme for the 100 counties in North Carolina. Counties are assigned to one of three categories: rural, urban, or metropolitan. The categories form a continuum according to the size of the major cities in each county and the complexity of the operations of each county’s Department of Social Services. The metropolitan counties contain the largest cities in the state.

*Exhibit VII-7: Welfare Participation by County Type at Program Entry* shows the number of months that persons received welfare, by the urban/rural nature of their county of residence. Among the all of the four cohorts, families in the metropolitan counties received benefits for more months than persons living in rural areas. This finding was most clear in the June 1997



entry cohort, where 53.1 percent of families in rural areas were on welfare for six months or less during the first year after entry, compared to only 45.2 percent of families living in metropolitan areas.

**Exhibit VII-7  
WELFARE PARTICIPATION BY COUNTY TYPE  
AMONG THE ENTRY COHORTS**

Total Months Receiving Benefits Out of First 36 Months After Entry	AFDC COHORT FEB 95			WORK FIRST COHORT SEP 96		
	RURAL	URBAN	METRO-POLITAN	RURAL	URBAN	METRO-POLITAN
6 or Fewer	31.5%	31.4%	28.4%	40.9%	42.5%	36.1%
7 to 12	20.0%	20.9%	20.7%	21.4%	22.5%	23.6%
13 to 18	14.0%	13.9%	13.8%	13.3%	12.9%	12.6%
19 to 24	11.1%	9.9%	11.8%	8.2%	8.0%	9.2%
25 to 30	7.4%	8.3%	8.5%	5.6%	4.7%	7.0%
31 to 33	5.3%	4.0%	5.0%	2.5%	1.7%	2.7%
34 to 36	10.6%	11.7%	11.8%	8.1%	7.8%	8.7%
TOTAL	100.0% (N=913)	100.0% (N=2704)	100.0% (N=2224)	100.0% (N=716)	100.0% (N=1695)	100.0% (N=1384)
Total Months Receiving Benefits Out of First 12 Months After Entry	WORK FIRST COHORT JUN 97			WORK FIRST COHORT JUN 98		
	RURAL	URBAN	METRO-POLITAN	RURAL	URBAN	METRO-POLITAN
6 or Fewer	53.1%	50.6%	45.2%	50.4%	50.7%	47.4%
7 to 12	46.9%	49.4%	54.8%	49.6%	49.3%	52.6%
TOTAL	100.0% (N=557)	100.0% (N=1425)	100.0% (N=1166)	100.0% (N=389)	100.0% (N=991)	100.0% (N=989)