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# Marriage Not Enough to Guarantee Economic Security

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The National Center for Children in Poverty identifies and promotes strategies that prevent child poverty in the United States and that improve the lives of low-income children and families.

## Marriage Not Enough to Guarantee Economic Security

by Heather Koball and Ayana Douglas-Hall

### AUTHORS

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## Overview

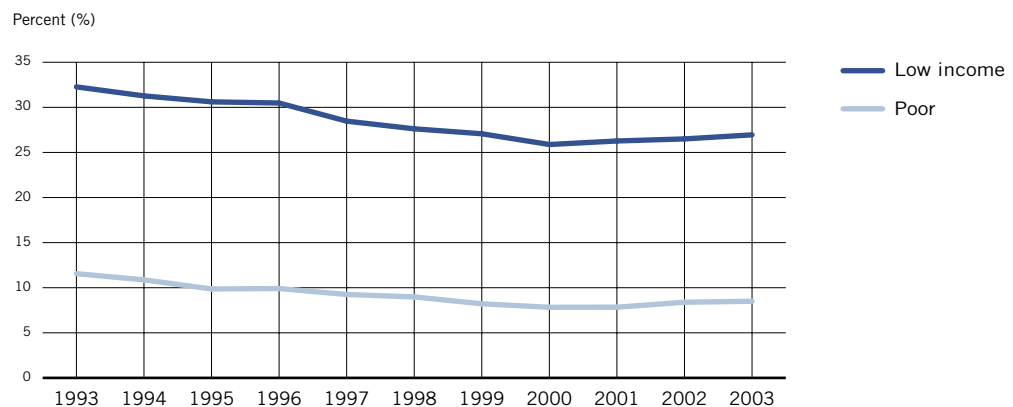
Recent public policy initiatives have encouraged low-income parents to marry as a way to become economically stable. But, the data tell a more complex story. Marriage does not guarantee economic security. Not only do the majority of children in single-parent families have parents who were previously married, more than one in four children with married parents is low income.

Even when married, some demographic groups are particularly likely to be low income, which is defined as earning less than twice the poverty level—the minimum necessary to meet families’ most basic needs.<sup>1</sup> Among Latinos, more than half of children with married parents are low income.<sup>2</sup> In rural and suburban areas, the majority of low-income children have married parents. Despite high levels of employment, many married parents remain low income. Among children with low-income married parents, a full 95 percent have at least one parent who is employed, and 41 percent have two employed parents.<sup>3</sup>

### More than One in Four Children with Married Parents Is Low Income

Although children with single parents are more likely to be low income (66 percent), more than one in four children living with married parents<sup>4</sup> is low income, and almost one in 10 is poor. The percent of children with married parents who are low income and poor declined until 2000, but has since risen (see Figure 1).

**Figure 1: Percent of children with married parents who are low income or poor**



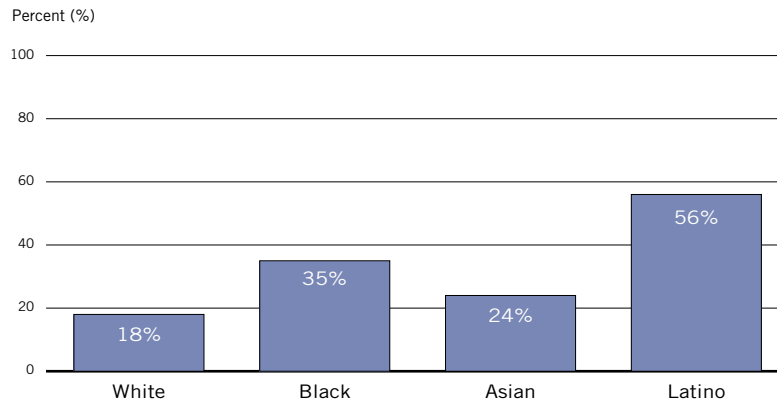
### Divorce Main Reason for Single Parenthood

Most children (58 percent) in single-parent families have parents who were previously married,<sup>5</sup> and this percentage has remained fairly stable for much of the last decade. Among children living in single-parent families, the percent with never-married parents rose from 36 percent in 1993 to 41 percent in 1996, but since then has remained fairly constant. This mirrors national nonmarital birth rates, which rose until the mid-1990s and then leveled off.<sup>6</sup>

## Economic Insecurity Common Among Some Married-Parent Families

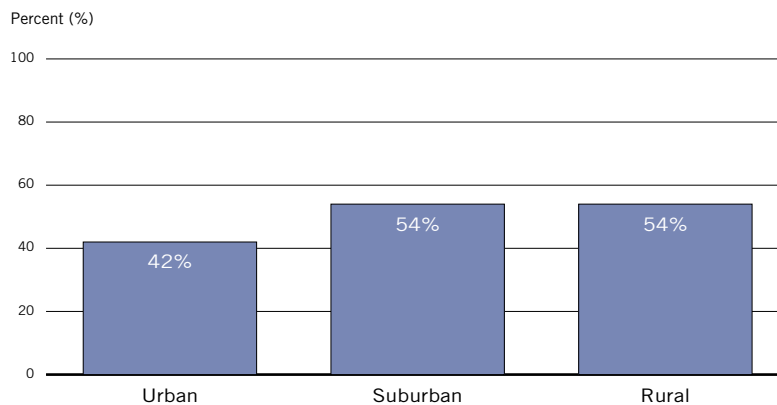
Within some demographic groups, children of married parents are at particularly high risk of low income. More than half (56 percent) of Latino children with married parents are low income—a much higher percentage than other racial and ethnic groups (see Figure 2). This is due, in large part, to the proportion of Latino parents who are recent immigrants. Recent immigrants tend to have low incomes, regardless of employment status or family structure.<sup>7</sup>

**Figure 2: Percent of children with married parents who are low income, by race/ethnicity, 2003**



In suburban and rural areas, the majority of low-income children live with married parents. Only in urban areas do most low-income children live with single parents (see Figure 3).

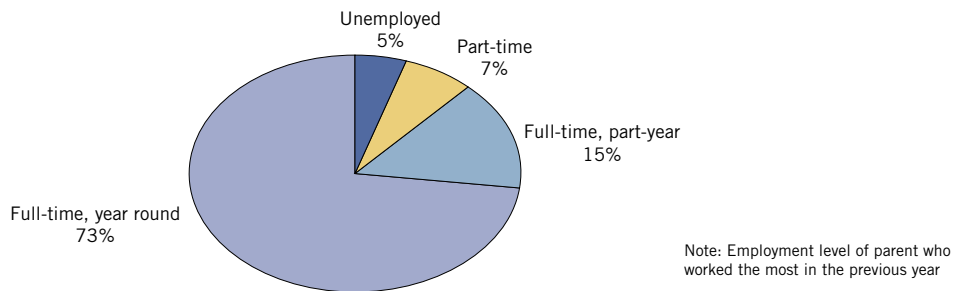
**Figure 3: Percent of low-income children living with married parents, by residential area, 2003**



## Employment Levels Very High

Ninety-five percent of children with low-income, married parents have at least one employed parent, and 73 percent have at least one parent who is employed full-time, year-round.<sup>8</sup> Close to half (41 percent) of children with low-income, married parents have two working parents.

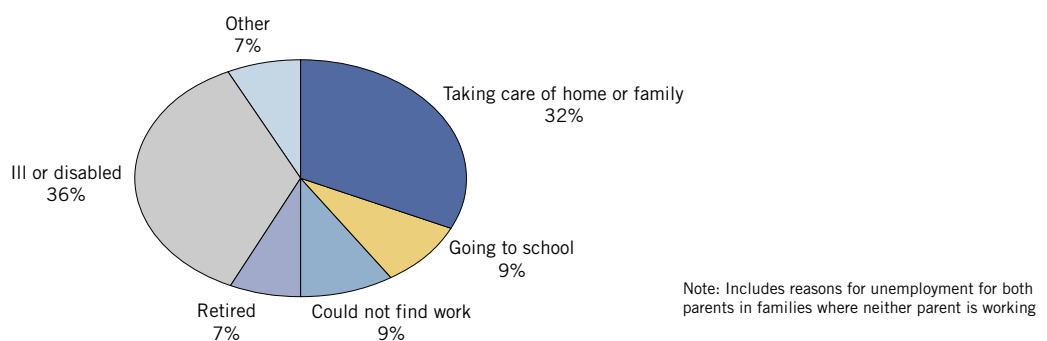
**Figure 4: Parental employment among children of low-income, married parents, 2003**



Children with employed, low-income, married parents may experience more economic insecurity than children with higher-income, married parents because of the types of jobs their parents hold. These parents are more than twice as likely as higher-income, married parents (26 percent versus 11 percent) to hold jobs in the service industry,<sup>9</sup> which tend to be lower paid and less likely to offer benefits, such as health insurance or paid vacation time, than jobs in other industries.<sup>10</sup>

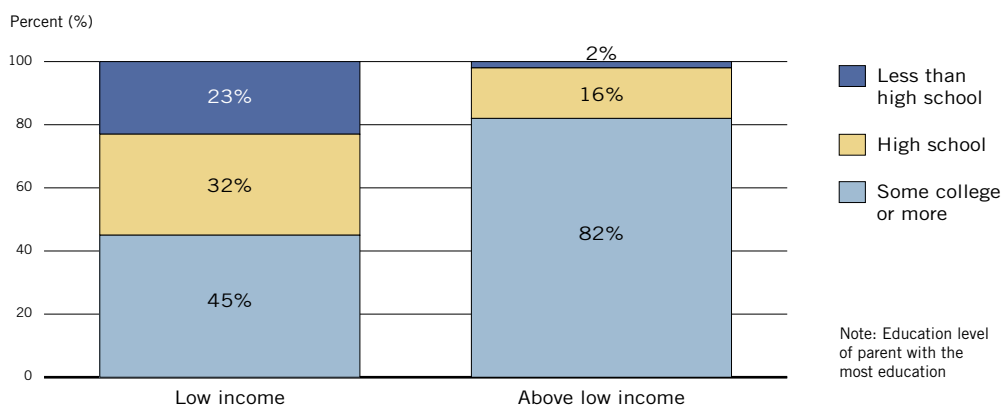
The primary reasons for unemployment among the few married parents who are not working are illness and disability (36 percent), followed by caring for family (32 percent).<sup>11</sup> (See Figure 5.)

**Figure 5: Reasons for unemployment among married parents, 2003**



Children with low-income, married parents have parents with lower educational attainment than those with higher-earning parents. Fewer than half (45 percent) of children with low-income, married parents have a parent with at least some college education, compared to 82 percent of children in higher-income, married parent families (see Figure 6). Not only are

**Figure 6: Parental education for children with married parents, by income level, 2003**



parents with higher educational attainment more likely to have children who obtain more education themselves, higher education is one of the strongest predictors of securing a high-paying, stable job.<sup>12</sup>

## More Residential Instability

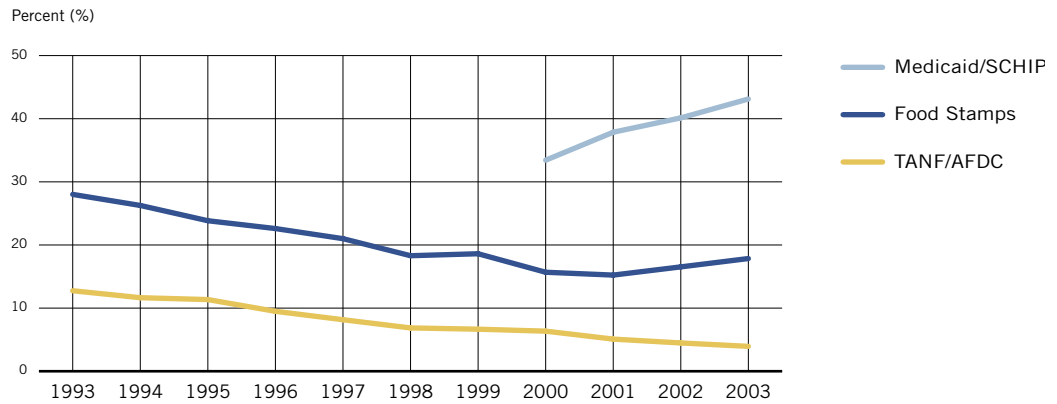
Children with low-income, married parents experience greater residential instability than do children with higher-earning, married parents. Moving frequently is associated with family turbulence and difficulties in school.<sup>13</sup> Children with low-income, married parents are almost 80 percent more likely than children of higher-income, married parents to have moved in the previous year (16 percent versus 9 percent).

Similarly, children with low-income married parents are about 60 percent less likely to live in owner-occupied homes compared to children with higher-income, married parents (55 percent versus 88 percent). Homeownership gives a measure of economic security to families by providing a means to build wealth, an asset during economic crisis, and tax breaks not available to renters.

## Public Health Insurance and Food Stamp Use Rising

Close to half of children with low-income, married parents receive public health insurance.<sup>14</sup> Public health insurance coverage has risen dramatically among children with low-income, married parents, rising from just over 30 percent in 2000 to almost 45 percent in 2003.<sup>15</sup> This timing coincides with decreasing availability of employer-based coverage.<sup>16</sup> In the late 1990s, SCHIP expanded and states eased Medicaid eligibility requirements for married-parent families, suggesting that these programs are filling an important and growing need of families headed by married parents. Receipt of food stamps and TANF dropped sharply in the 1990s among these families, likely because of the expanding economy and welfare reform (see Figure 7). However, since 2000, the use of food stamps has begun to rise.

**Figure 7: Public benefits utilization among children of low-income, married parents**



## Policy Implications

Given that more than one in four children with married parents is low income and that almost 60 percent of children in single-parent families have previously married parents, promoting marriage alone will not eliminate economic insecurity among America's families. The majority of low-income, married-parent families include at least one parent who is employed full-time, year-round and almost half (41 percent) include two employed parents. Since low-income parents are more likely to have low-paying service jobs, increasing the minimum wage will increase earnings. Programs that increase working families' incomes, such as the federal Earned Income Tax Credit, further boost wages to help parents support their families through employment. Low-income parents' job opportunities may be limited by their lower education levels. Reversing the recent trend toward tax subsidies for education, which favor higher-income families, over traditional subsidized loans and grants<sup>17</sup> could make education more accessible to low-income families.

Because illness and disability are the most common reasons for lack of employment among low-income, married parents, safety nets, such as Social Security Disability Insurance,<sup>18</sup> disability protection for individuals who qualify through the Social Security system, and Supplemental Security Income, a means-tested disability program, remain an important source of support for families with disabled parents.

In recent years, the percent of children covered by their parents' employer-based health insurance has fallen. The sharp increase in receipt of public health insurance suggests that increasing access to Medicaid and SCHIP filled an important and growing need of low-income families headed by married parents. States can continue to ensure that more children of low-income, married parents receive the supports they need by easing the Medicaid eligibility requirements for married parents to match the requirements for single-parent families.<sup>19</sup>

In sum, policymakers should not assume that the financial and health insurance needs of children will be met simply because their parents are married.

## Endnotes

1. Bernstein, J.; Brocht, C.; & Spade-Aguilar, M. (2000). *How much is enough? Basic family budgets for working families*. Washington, DC: Economic Policy Institute. The poverty level in 2005 for a family of four is \$19,350.
2. Estimates for all figures and tables are based on the authors' analyses using the U.S. Current Population Survey, Annual Social and Economics Supplement, March 1994-2004.
3. This includes all married parents who worked full-time or part-time. Thirty-five percent of low-income married couples include two employed parents with at least one parent employed full-time, year-round; 8 percent include two parents, both employed part-time/part-year.
4. Married parents include step parents as well as biological and adoptive parents of the child.
5. Previously married parents include parents who are divorced, separated, widowed, or married with an absent spouse (this does not include spouses who are absent due to military service)
6. Child Trends Databank. (2005). *Births to unmarried mothers*. Accessed May 27, 2005 <[www.childtrendsdata-bank.org/indicators/75UnmarriedBirths.cfm](http://www.childtrendsdata-bank.org/indicators/75UnmarriedBirths.cfm)>.
7. Douglas-Hall, A. & Koball, H. (2004). *Children of recent immigrants: National and regional trends*. New York, NY: National Center for Children in Poverty, Columbia University Mailman School of Public Health <[www.nccp.org/media/cr04-text.pdf](http://www.nccp.org/media/cr04-text.pdf)>
8. Parental employment is the employment level of the parent in the household who maintained the highest level of employment in the previous year. Full-time/year-round is defined as working at least 50 weeks and 35 hours per week for the majority of those weeks. Part-time is defined as working less than 35 hours per week for the majority of weeks worked. Full-time, part-year is defined as working fewer than 50 weeks and working full-time in the majority of weeks worked.
9. This figure includes all parents who reported any work in the previous year. The estimate is based on different calculations than those used in previous NCCP publications and should not be compared with those estimates.
10. Nelson, J. I. (2004). Work and benefits: The multiple problems of service sector employment. *Social Problems* 41(2), pp. 240-256.
11. This estimate includes both parents in families in which neither parent was employed. The estimate is based on a different calculation than used in previous NCCP publications and should not be compared.
12. Koball, H. & Douglas-Hall, A. (2004). *The effects of parental education on income*. New York, NY: National Center for Children in Poverty, Columbia University Mailman School of Public Health <[www.nccp.org/pub\\_pei04.html](http://www.nccp.org/pub_pei04.html)>.
13. Pribesh, S. & Downey, D. B. (1999). Why are residential and school moves associated with poor school performance. *Demography*, 36(4), pp. 521-534.
14. Stoneman, Z.; Brody, G. H.; Churchill, S.; & Winn, L. (1999). Effects of residential instability on Head Start children and their relationship with older siblings. *Child Development*, 70(5). pp. 1246-62.
15. Rates of receipt of public benefits derived from survey data are not comparable to those derived from administrative data (e.g., the figures reported in NCCP's 50-State Policy Database).
16. Beginning in the 2001 Annual Social and Economic Supplement to the U.S. Current Population Survey, which collected data for 2000, new questions on SCHIP were added which more accurately measured health insurance coverage. Comparisons to coverage rates prior to 2000 may not be accurate.
17. DeNavas-Walt, C.; Proctor, B.; & Mills, R. J. (2004). *Income, poverty, and health insurance coverage in the United States: 2003*. Washington, DC: U.S. Census Bureau <[www.census.gov/prod/2004pubs/p60-226.pdf](http://www.census.gov/prod/2004pubs/p60-226.pdf)>. See also, Historical Health Insurance Tables <[www.census.gov/hhes/www/hlthins/historic/hihist3.html](http://www.census.gov/hhes/www/hlthins/historic/hihist3.html)>.
18. Maag, E. & Fitzpatrick, K. (2004). *Federal financial aid for higher education: Program and prospects*. Washington, DC: Urban Institute.
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19. See 50-State Policy Database at [www.nccp.org](http://www.nccp.org) for information about two-parent families' Medicaid eligibility requirements.