The Partners of Welfare Mothers: Potential Earnings and Child Support

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Abstract

Public interest in promoting the self-sufficiency of families that depend on welfare concerns the ability of fathers, as well as mothers, to support their children through employment. Many welfare recipients are never-married women, and their children seldom receive child support payments. This article estimates the financial resources that go untapped when child support is not collected from the men who father children who later receive AFDC benefits. While these men may earn little at the time the child is born, their incomes are likely to escalate over time. The child support payments they would make over the child’s first 18 years equal almost half of the welfare benefit received by the mother and child. Based on these probable long-term earnings, the authors urge policymakers to invest in efforts to establish paternity and collect child support.

In confronting high rates of poverty for children living in mother-only households, policymakers have begun to turn their attention to an often neglected component of the problem: the fathers of these children. The policy focus falls on the resources that could be made available to children through child support paid by the father. If tapped, these resources could reduce the likelihood of poverty for children by supplementing welfare payments and easing the mother’s burden of support. Alternatively, the father’s contributions could be used to reduce public expenditures on the children. It is generally believed that the resources of absent fathers (especially the partners of young mothers) are quite limited. The fact that a young father may be unemployed or poorly paid when his child is born need not imply, however, that he will never be able to provide significant support. The potential benefits of paternity establishment and child support enforcement depend on the father’s eventual earnings, in addition to his current situation.

This article attempts to measure the resources that could be provided by fathers who do not live with their children, focusing on children whose
The Prevalence of Single-Parent Households

The significance of child support as a policy issue reflects the rapid increase in the proportion of families that are headed by single mothers. In 1991, fully 19% of white families with children and 58% of black families were maintained by mothers. As recently as 1970, those proportions were only 9% and 33%, respectively.

This dramatic change results from a combination of factors: rising divorce rates, the increase in births that occur out of wedlock, and declining numbers of “shotgun marriages.” Since 1960, when more than 90% of all births were to married couples, the proportion of children born out of wedlock has grown steadily. By 1990, about 20% of white births, 40% of Hispanic births, and more than 65% of black births were to unmarried mothers. The likelihood that women will marry at the start of a pregnancy or shortly after the birth of a child has also declined substantially. One study of shotgun marriages found that, for white women, the likelihood that first births conceived out of wedlock would be quickly followed by marriage hovered between 50% and 60% through most of the 1950s and 1960s, but fell to 30% in 1989. A similar trend occurred among black unwed pregnant women, less than 10% of whom had a shotgun marriage in 1989.

These trends away from marriage have provoked alarm about the demise of the traditional family and concern that single parenthood might harm the well-being of children. Poverty is a key concern, since 67% of children residing with never-married mothers lived in poverty in 1989. Many absent fathers pay little or no child support, leaving the mother to pay household and child-rearing expenses with whatever assistance she can secure from formal and informal sources. To address this problem, legislation has been enacted to target more aggressively the resources of the noncustodial parent, usually the father of the child.

For instance, the Family Support Act of 1988 has strong and interesting implications for the costs of absent fatherhood and their distribution between the father, the mother and child, and the rest of society. Specifically, the act mandates that each state develop a child support formula to determine the minimum amount of support that a father must pay as a function of his own income and, in some states, the income of the custodial mother. These formulas apply to the fathers of children born outside of marriage as well as to divorced fathers. The act also emphasizes the importance of establishing paternity for all children, regardless of the marital status of the parents at the time of the child’s birth, and it requires extensive (and potentially expensive) enforcement machinery to ensure that the father pays child support until the child reaches age 18. Beginning in 1994, the enforcement provisions mandated wage withholding for all fathers who are under child support orders. It is still too early to tell how much effect these new policies concerning child support will have on the resources available to benefit children, or how they may change as the states assume more control over welfare policy.

Securing Child Support

The securing of child support is in many cases very complicated. For some women it might involve legal proceedings to establish paternity or to determine the size of the child support award. The award process
itself has changed dramatically over the years, with states now being required to have specific formulas to determine the level of the financial obligation for the noncustodial parent. While it has been estimated that 58% of all families with an absentee father had been awarded child support in 1989, only half as many never-married women had support awards. Though this figure is low, it represents an improvement from the previous decade. Researchers report that in 1979 only 8% of never-married mothers had a support order. By 1986, this figure had grown to 15%, and it reached 24% in 1989.

The disparity in support awards between divorced and never-married mothers reflects the tenuous relationship of the never-married father to the child and mother. While the obligations of divorced fathers are a matter of public record, paternity must be explicitly established in the case of nonmarital childbearing. By one estimate, paternity was established for fewer than one-fourth of all nonmarital births in 1986. Researchers have also found substantial variation over time and across states and localities in rates of paternity adjudication. While the levels have been increasing, paternity is not established for most nonmarital births, and that lack of established paternity obviously prevents the courts from making a child support award.

But being awarded support is only part of the battle. The question of how much money is actually transferred to the custodial parent after support is awarded is a separate matter that concerns both the efficacy of child support enforcement and the father’s ability to pay. Only about 75% of mothers with child support awards in 1989 actually received support from the child’s father. The levels of support received varied substantially by the marital status of the mother, as well: Never-married women received on average $1,888 in support per year, while divorced women received $3,322.

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Can Fathers Pay?
The relatively low level of support going to unmarried households may reflect the characteristics of men who father children out of wedlock, as well as the vigor of child support enforcement. Perhaps unwed fathers simply lack resources. Studies using national data sets have generally shown that men who become fathers when young and unmarried have less education and lower earnings later in life than do men who delay fatherhood. A study of births in Baltimore in 1983 found that the partners of urban, teenage mothers (who were predominately unmarried) had lower levels of education when their child was born than did the partners of women who had a birth after their teen years.

On the other hand, there is also evidence that many absent fathers are significantly older than their female partners and do, or will eventually, have resources to provide child support. Studies indicate that about 60% of new unmarried teen mothers have partners who are beyond their teen years. Moreover, even young fathers will mature, and most will find work and secure a steady income. One study of noncustodial parents in all types of families found that current child support formulas would require fathers to pay three times what they owed in child support in 1983.

Another study focused on recipients of Aid to Families with Dependent Children (AFDC) who had not been awarded child support, using administrative records in 11 states to determine the financial resources of the absent fathers. The case files of women who had received welfare for a minimum of two years and lacked support orders were reviewed to find cases that included the father’s Social Security number in the file. The earnings data kept by the Social Security Administration revealed that many of the men had substantial incomes and should have been able to pay a meaningful portion of the AFDC benefit received by the family. This study had several limitations, however. Its sample was restricted to men with known Social Security numbers, so it could capture fathers’ incomes for fewer than half of the cases without support orders. Moreover, the study included only earnings reported to the Social Security Administration during a single year, missing...
any change that might take place over the father’s lifetime.

The longitudinal data needed to examine earnings growth were available to researchers who used court records from Wisconsin to consider the earnings of a sample of men over the first seven years after their divorce or paternity suit. Demonstrating the importance of paternity establishment and child support enforcement, the researchers found that absent fathers, even those whose children were born outside of marriage, experienced substantial income growth over this seven-year period. Of course, these are men whose paternity was established and whose partners apparently believed there was some chance of obtaining meaningful amounts of support, judging from their willingness to file the suit in court. It may be that men in this category have more income growth than, say, men who did not acknowledge their children and whose partners believed they had no chance of obtaining support.

Estimating Available Resources

These studies together make it clear that to assess fully the benefits of additional paternity establishment and child support enforcement efforts, it is essential to determine the size of the untapped parental resources. The next section of this article describes an effort to estimate the resources available to absent fathers by developing profiles of men who do not reside with their children, and then using longitudinal data to document their earnings over the first 18 years of the child’s life. Based on those earnings trajectories, one can estimate the child support payments such fathers would be expected to make.

It should be noted that this article focuses on child support obligations and the potential pool of untapped financial resources held by fathers and does not consider several related issues. The research does not address the issue of compliance, although fathers may refuse to comply with child support orders, and locating the father and ensuring compliance may be prohibitively expensive. Second, the study considers only the potential financial contributions of fathers, although men may of course make other contributions to the life of their children, through in-kind transfers or through emotional or psychological support. These avenues are not explored in this study.

Predicting Potential Support

Large national surveys of women and men can be creatively manipulated to estimate the resources that absent fathers could provide to their children, and thus predict potential support, although several obstacles make this a difficult challenge. The most fundamental problem is that information linking fathers and mothers who do not live together is seldom available, especially if the couple was never married. Many longitudinal data sets collect detailed information from respondents (male and female) about their parenthood, but if the father and mother live separately, little information is collected from one about the other.

Exploiting Two Data Sets

One source of data that provides information on both the mother and father is the National Maternal and Infant Health Survey (NMIHS). This data set focuses on a random sample of 9,953 women between 15 and 49 years of age who had a live birth in 1988, and it includes a limited set of characteristics of both the mother and father, such as age, marital status, education, race, receipt of government assistance after the birth, and the father’s employment status and residence with the mother. That information makes it possible to characterize the partners of women who receive government assistance, and to ask whether these men are able to provide reasonable amounts of child support.

One can calculate using these data, for a woman of a given age, race, and AFDC status, the probability that her partner was in a given age, education, and marital status group. These probabilities allow one to know something about the men with whom women are having children. To calculate potential child support payments, informa-
tion is needed on both the earnings and the number of children these men will have over the first 18 years of the child’s life, the years in which the fathers would be obligated to pay support. For this information, the study uses a sample of men who participated in another survey—the National Longitudinal Survey of Youth (NLSY), which includes extensive demographic and financial data gathered yearly. Because the NLSY documents any child a man has had outside of marriage, and records his annual earnings and the births of additional children, it can be used to construct fatherhood, marriage, income, and education histories for this sample of 4,231 men.

Of course, any survey on fatherhood is limited by the likelihood that some men will fail to report at least some of the children they father, especially men who are unwed and have little contact with the child. One study suggests that the men in their early twenties underreport births to the NLSY interviewers by 15% to 23%. This issue is significant because the men who do not report the birth to survey researchers may be those who also walk away from parenting responsibility. When such fathers cannot be included in research samples, study findings may overestimate the involvement of absent fathers with their children.

The information from these two data sets (the NMIHS and the NLSY) can be combined to link mothers with different characteristics to estimates of the financial resources available from the absent fathers of their children. For instance, consider the case of an 18-year-old mother who participates in a welfare program. The NMIHS establishes the probability that her partner has particular characteristics, and the NLSY indicates the likely earnings of that type of man. One can then apply a formula for calculating child support obligations to determine the child support obligation that would confront such a man (based on his income and the number of children he has fathered). Here, child support obligations were computed using Wisconsin’s child support statute. This relatively straightforward standard requires that a father with one child pay 17% of his income as child support. If the man has a second child, his obligation toward each child is 12.5% of his income. With three children, this obligation is 9.7%, and with four children it becomes 7.75% per child. Finally, to calculate the support available to the 18-year-old mother, one simply multiplies the probability that the partner was in a particular category by the associated potential child support, and sums these products across all types of men.

Mothers and Fathers, On and Off Welfare
The data from the NMIHS present a picture not only of the mothers who gave birth in 1988, but also of the men who fathered their
children. The mothers who reported receiving AFDC were younger, had lower levels of education, came from households with less income, and had more children than the total group of women who gave birth that year. Given the eligibility rules for AFDC, women who receive welfare are unlikely to be married. Nevertheless, as Table 1 shows, a surprising proportion of welfare recipients report living with the father during the pregnancy and afterwards (36% of non-black women and 15% of black women coresided with the father of their child when the survey was conducted an average of 16 months after the birth).27 Table 1 also shows that the male partners of AFDC recipients are younger and have less education than the total group of men who became fathers in 1988.28 A much smaller percentage were working, and they worked fewer hours. It must be noted that many women, particularly unmarried women, are unable or reluctant to provide information about their partners: More than 7% of AFDC mothers did not report the work status of their partners.

Men’s Earnings and Potential Child Support

When the earnings of a sample of men who match the characteristics of absent fathers are examined using the NLSY, it becomes clear that the incomes even of absent fathers vary with the mother’s age and race.29 Fathers’ earnings are higher for women who delay childbearing to later ages, and the incomes of nonblack women’s partners exceed those of black women’s partners. Table 2 shows the incomes of the mother’s predicted partner over the first 18 years of a child’s life, comparing mothers who received AFDC after the birth with those who did not. The table shows the discounted present value of the man’s projected 18-year earnings, in 1994 dollars.

### Table 1

**Background Characteristics of Fathers of Children Born in 1988**

<table>
<thead>
<tr>
<th>Characteristics</th>
<th>Percentage of All Who Had Births in 1988</th>
<th>Percentage of Nonblacks Who Received AFDC</th>
<th>Percentage of Blacks Who Received AFDC</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Mother’s Cohabitation</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Married at birth</td>
<td>75</td>
<td>36</td>
<td>12</td>
</tr>
<tr>
<td>Living with father at birth</td>
<td>81</td>
<td>52</td>
<td>24</td>
</tr>
<tr>
<td>Living with father at survey</td>
<td>78</td>
<td>36</td>
<td>15</td>
</tr>
<tr>
<td><strong>Father’s Age</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>17 or less</td>
<td>1</td>
<td>2</td>
<td>5</td>
</tr>
<tr>
<td>18 to 19 years</td>
<td>4</td>
<td>8</td>
<td>10</td>
</tr>
<tr>
<td>20 to 21 years</td>
<td>7</td>
<td>12</td>
<td>13</td>
</tr>
<tr>
<td>22 to 25 years</td>
<td>20</td>
<td>29</td>
<td>29</td>
</tr>
<tr>
<td>26 or more</td>
<td>69</td>
<td>50</td>
<td>43</td>
</tr>
<tr>
<td><strong>Father’s Education</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less than high school</td>
<td>17</td>
<td>45</td>
<td>27</td>
</tr>
<tr>
<td>High school</td>
<td>42</td>
<td>46</td>
<td>58</td>
</tr>
<tr>
<td>Some college</td>
<td>18</td>
<td>7</td>
<td>11</td>
</tr>
<tr>
<td>College and more</td>
<td>23</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td><strong>Father’s Work Status (During Mother’s Pregnancy)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Worked</td>
<td>93</td>
<td>75</td>
<td>70</td>
</tr>
<tr>
<td>Average hours worked&lt;sup&gt;a&lt;/sup&gt;</td>
<td>44.5 hours</td>
<td>40.4 hours</td>
<td>38.9 hours</td>
</tr>
</tbody>
</table>

<sup>a</sup> Detail may not total 100% due to rounding.

<sup>b</sup> This average is computed only for those who worked at least one hour.

Source: Calculated by the authors based on data from the Centers for Disease Control and Prevention. National Maternal Infant Health Survey (1988). Available from National Center for Health Statistics, 6525 Belcrest Rd., Rm. 840, Hyattsville, MD. 20782. Sample includes only valid responses, and sample weights are used so information above represents the partners of all women between the ages of 15 and 49 who had a birth in 1988.
Focusing first on women who did not collect AFDC, Table 2 indicates that the likely partner of a nonblack woman who had a child when she was under 18 would earn $239,536 over 18 years, or $1,708 per month. The partner of a woman with similar characteristics who had her child after age 25 would earn $436,622 over those 18 years, or $3,113 per month. Partners of black women who did not receive AFDC earned from $1,622 to $2,510 per month.

Still considering only the women who did not receive AFDC, one finds that if a nonblack woman under 18 was awarded and collected child support under the Wisconsin statutes, she could look forward to $232 per month in child support. Her black counterpart would be owed $220 per month in child support. In general, the value of the expected support increases with the age of the woman and is higher for nonblack women.

Less support is available from partners to women who received AFDC after the child’s birth. This is not surprising, given the evidence shown in Table 1 that the partners of AFDC mothers work less and have less education than the typical father. Moreover, the potential child support available to AFDC mothers is less affected by the age of the mother at childbirth. For nonblack women who did not depend on AFDC, the potential monthly child support estimates doubled when comparing the youngest and the oldest mothers. Among nonblack AFDC recipients, the older women could tap only 61%
more potential support than was available to the younger women.

### Implications for Child Support Policy

The child support estimates presented in Table 2 can be compared to the welfare payments the government makes to mothers who fit in each category studied. As an illustration, consider a single nonblack 17-year-old with one child, living in Wisconsin, a state with relatively generous welfare benefits. In 1994, the maximum AFDC benefit provided to this mother would be $440 per month. The predicted child support obligation of that mother’s partner ($190 per month) represents 43% of the value of the welfare benefit she receives. Federal law requires that additional payments by the father can increase the income of the welfare recipient mother by only $50 per month. The remaining payments by the father must be used to reduce the AFDC payments to the mother. It is important to note that this rule may affect the mother’s incentive to establish paternity and subsequently pursue a child support award. In states with less generous welfare payments than Wisconsin, child support collection would offset an even greater proportion of public welfare expenditures.

Of course, the payments described here presume perfect enforcement of the child support law. In reality, that is not possible, since enforcement is costly and fraught with difficulties. Nevertheless, when policymakers determine the degree to which child support laws should be enforced, they should consider the resources that might be raised through child support and evaluate the effect those resources might have on the cost to taxpayers of assisting poor children. Policymakers commonly underestimate the contributions fathers can make to AFDC mothers by failing to anticipate how the earning power of these fathers will change as they mature during the first 18 years of the child’s life.

This article has examined the potential child support available to women who collect public assistance. The evidence presented here suggests that absent fathers are able to provide a substantial level of support, even as much as 40% to 50% of AFDC benefits. This support could help alleviate the high level of poverty among these families and defer public expenditures on their behalf. Recognizing that absent fathers will experience income growth over the life of their child, policymakers should reassess the benefits of rigorous paternity establishment and child support enforcement.

9. Although paternity is not legally established in a large number of out-of-wedlock births to AFDC-eligible mothers, studies suggest that many fathers voluntarily admit paternity when contacted by child support authorities. See Meyer, D.R. Paternity and public policy. *Focus* (1992) 14,2:1–11.


20. Landry, D.J., and Forrest, J.D. How old are U.S. fathers? *Family Planning Perspectives* (1995) 27,4:159–61. These authors state that among young teenagers (ages 15 to 17), only 10% of fathers and 21% of mothers are married.


26. These percentage obligations assume that the man fathers all subsequent children with the same mother. If he fathers a second child by a different woman, his obligation to the first child would be 17% of his income, net of his obligation to the second child, yielding an obligation of 14.1\% \left[0.17 \times (1 - 0.17)\right] rather than 12.5\%. Thus, the estimates of a man’s potential child support payments are slightly conservative since the National Longitudinal Survey of Youth (NLSY) does not permit predictions regarding the number of partners with whom a man fathers children.


28. It should be noted that the fathers in the National Maternal and Infant Health Survey (NMIHS) represent a broader age range than those in the NLSY. In the NLSY, only the oldest respondents have reached their mid-30s. Within the NMIHS, almost 90% of the partners of AFDC mothers are less than 35 years old.

29. Given the large differences in marriage and fertility behavior between whites and blacks, the subsequent analysis is done separately by race.