Will Attainable Jobs Be Available for TANF Recipients in Local Labor Markets? Evidence from Mississippi on Prospects for “Job-Skill Matching” of TANF Adults

Frank M. Howell
Mississippi State University

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Will Attainable Jobs Be Available for TANF Recipients in Local Labor Markets? 
Evidence from Mississippi on Prospects for “Job-Skill Matching” of TANF Adults

Frank M. Howell
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One of the keys of the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) is the welfare-to-work transition provision, which institutes a maximum 60-month “lifetime” benefit window for recipients of Temporary Assistance for Needy Families (TANF) and requires them to find paid employment somewhere in the extant labor force. In many ways, this welfare-to-work transition constitutes the most important element of the welfare reform initiative because it reflects the most tenuous element of the “social contract” set by Congress in legitimating the PRWORA. This chapter examines what is most likely to happen to TANF recipients in Mississippi as they negotiate this legal mandate. As I show below, there is a significant spatial unevenness in the prospects for TANF beneficiaries to compete for paying jobs in their local labor market areas. I match the educational credentials of the 1996 cohort of TANF recipients in Mississippi to the types of new jobs projected to materialize across the state during a five-year window, from 1997–2002, as a means of discerning these prospects. I then compare these results by labor market areas. The results identify substantial variation in job prospects, with some rural labor markets holding little promise for those moving off of welfare to successfully compete for new jobs, while other labor markets appear positioned to fare much better.
A large proportion of the Mississippi population falls beneath the official poverty line. Estimates based on an experimental model by the U.S. Bureau of the Census show that, in 1993, almost one-fourth (24.6 percent) of the Mississippi population lived in poverty (Howell 1997a). With the exception of Louisiana (23.9 percent), Mississippi’s poverty rate was substantially higher than surrounding states in the region. With the economic progress of the 1990s, this figure had declined by 1997 (to 18.1 percent) but remains only slightly ahead of Louisiana (18.3 percent) (Bureau of the Census 2000). Mississippi also has a higher proportion of working-age adults (ages 16–64) with work-related disabilities than other states in the region (Howell 1997b). Thus, Mississippi suffers greatly by comparison to its neighboring states in terms of the share of its population that is poor and that has physical disabilities that inhibit them from holding steady employment. What we know very little about is the capacity of local labor markets in Mississippi to “absorb” persons who are scheduled to move from welfare programs to active paid employment (Howell 1997c).

PURPOSE OF THE STUDY

I examine two key aspects of the transition to work under the provisions of welfare reform legislation in Mississippi—the ability of labor markets to absorb TANF recipients and the availability of child care. I then relate these to the rural-urban continuum as measured through the USDA’s urban influence classification for Mississippi counties (Ghelfi and Parker 1997).

I estimate the prospects for local labor markets to “absorb” the 1996 cohort of TANF recipients by “matching” their current educational credentials with the projected job growth in fields that require only minimum educational levels. The period examined (1997–2002) corresponds with the 60-month lifetime limit for receiving TANF under welfare reform. This effort builds on my previous work (Howell 1997c) that documented dramatic regional variation in the crude “absorption capacity” of Mississippi labor markets to handle this cohort of TANF recipients without regard to their educational credentials. I identify licensed child care facilities in each county within the labor market area.
and their spatial distribution to ascertain the relative availability of these services for TANF recipients.

BACKGROUND

There is a growing recognition that the welfare-to-work transition is pivotal to the success of welfare reform, and also that it is fraught with barriers impeding successful employment by those on the welfare rolls (Danziger, in this volume, p. 25). Although the concern over what drives public assistance caseloads and, specifically, how the economy shapes or determines them, is an important avenue of inquiry (see, e.g., Blank 1997a, b; Blank and Ruggles 1996; Congressional Budget Office 1993; Kuhn, LeBlanc, and Gundersen 1997; Martini and Wiseman 1997; Ziliak et al. 1997), an important issue is the extent to which TANF beneficiaries who are scheduled to leave the program have likely job prospects in their local labor market. The so-called capacity of local labor markets to successfully absorb former TANF recipients is perhaps the pivotal issue in the 1996 welfare reform legislation as attention now turns to what happens to the TANF population that has left the welfare rolls (Lichter and Jensen, in this volume, p. 77).

A few research studies lend insight into both the employment prospects for TANF beneficiaries and the local economy’s effect on caseloads. Unfortunately, most of these studies focus on urban settings and give short shrift to rural America’s labor markets (for exceptions, see Gennetian, Redcross, and Miller, in this volume, p. 287; McKernan et al., in this volume, p. 257; and Lichter and Jensen). I briefly review some of these broader efforts.

Work by Leete and colleagues is particularly insightful in that they articulate many of the theoretical and practical issues surrounding the capacity for local labor markets in Cleveland, Ohio, to accommodate individuals receiving TANF benefits (Leete and Bania 1996). In evaluating the demand for jobs created by almost 20,000 former Aid to Families with Dependent Children (AFDC) recipients entering the labor market in the Cleveland-Akron metropolitan area, the authors find that the area must double or triple the number of low-skilled job openings over the next year to accommodate those scheduled to leave the cash
assistance program. It is important to note that this study is distinctly urban in its focus, and the results may not be generalizable to rural, nonmetropolitan areas of the United States.

In a separate analysis of the same study area, Leete, Bania, and Coulton (1998) examined the degree of spatial “mismatch” between job openings and beneficiaries. Their key findings were that cash assistance (then AFDC) recipients were highly concentrated in inner-city locations and geographically isolated from prospective jobs. Supporting the “spatial mismatch” hypothesis, most of the projected low-skill job growth is likely to be in the suburban fringes of the metropolitan area. Moreover, most of those suburban jobs are inaccessible to recipients via public transportation because only 8–15 percent of these jobs are within the 20-minute commute time used to define “accessible” jobs.

In an earlier study (Howell 1997c), I focused on the capacity of local labor markets in Mississippi to absorb persons who are scheduled to leave TANF. This approach differs considerably from that used by Leete and colleagues in Cleveland in several important ways, including the use of both rural and metropolitan labor market definitions as well as projections of all types of jobs (i.e., total employment) rather than just low-skill jobs. I created an “absorption index” of the local labor market’s capacity to incorporate AFDC recipients into the paid labor force, spread over a three-year transition period and then recalculated for labor market areas (LMAs) in Mississippi. The labor market area index better reflects the local area’s ability to generate jobs to match the requirements of the new welfare program. Briefly, these results showed great regional variability in the likelihood for job growth that will match the welfare-to-work transition introduced by PRWORA.

This exploration of the capacity of Mississippi’s labor markets to generate new jobs was, indeed, exploratory. It used projected employment that, although historically quite accurate, may not prove so over the period considered. The method is “optimistic” in the sense that it only examines the crude ratio of one year of AFDC recipients to projections of total employment growth, without matching job requirements to persons seeking employment. It also assumes that welfare recipients will search for jobs only within their current labor market area. Moreover, the total employment projection used in Howell (1997c)
makes one additional crucial assumption: that all TANF beneficiaries will compete equally for any and all job growth, both with each other and with non-welfare job-seekers. This simplifying assumption, of course, is not very realistic. There is a need to match the educational and training characteristics of TANF beneficiaries and the projected job growth in the state’s labor markets before debating how well economic prosperity will facilitate the transition to work among welfare recipients.

**RESEARCH METHODS**

**Sources of Data**

The data for this study come from several different sources: administrative records of the Mississippi Department of Human Services for data on AFDC/TANF caseloads; administrative records from the Mississippi Department of Health for data on licensed child care facilities; and proprietary data obtained from Wessex, Inc., on estimates of county-level employment by occupational class for 1997 and projections through 2003. To protect the proprietary nature of these data, I do not report any detailed counts from the Wessex data set at the county level, but I have aggregated them to the multicounty Labor Market Area (LMA), given that an infinite number of combinations of the county-level estimates or projections could sum to the LMA estimate. Other spatial data were obtained from the U.S. Bureau of the Census TIGER database and the proprietary ESRI StreetMap database of streets and address ranges for locating physical address locations. More details can be found in Howell (2000).

**Measurement of Variables**

**TANF caseloads, by education**

The numbers of TANF recipients by county during the 12 months of 1996 were obtained from the Mississippi Department of Human Services (DHS). Counts were received for each month by education level for adult recipients. Using the “peak-month” monthly count for each
county, I collapsed educational levels into three categories: less than high school; high school only; and postsecondary school (including baccalaureate degrees or above).1

**Occupational groupings**

Data on estimates and projections of employment by major occupational class were obtained from Wessex’s proprietary database. Although it would be ideal to have detailed occupational classifications, such as either the three-digit Standard Occupational Classification used extensively by the Bureau of the Census or those found in the *Occupational Outlook Handbook* from the Department of Labor, such data in public-use form were unavailable. The major classes were collapsed to represent: a) “white-collar” jobs, composed of executives, professionals, technical, and sales; b) “skilled-worker” jobs, composed of clerical, protective services, production workers, and other services; and c) “unskilled-worker” jobs, composed of operators, materials handlers, unskilled laborers, and private household workers.

**Urban influence county code**

This classification scheme was developed by the U.S. Department of Agriculture (USDA) Economic Research Service (ERS) and published in Ghelfi and Parker (1997). Its taxonomy classifies counties in terms of the level of “urban influence” as of 1990 and contains nine codes:

1) large metropolitan areas, with 1 million or more residents;
2) small metropolitan areas, with fewer than 1 million residents;
3) adjacent to a large metropolitan area with a city of 10,000 or more residents;
4) adjacent to a large metropolitan area without a city of 10,000 or more residents;
5) adjacent to a small metropolitan area with a city of 10,000 or more residents;
6) adjacent to a small metropolitan area without a city of 10,000 or more residents;
7) not adjacent to any metropolitan area but with a city of 10,000 or more residents;
8) not adjacent to any metropolitan area and with the largest city in the county between 2,500 and 9,999 residents; and
9) not adjacent to any metropolitan area with the population of largest city in the county under 2,500 residents.

The scheme is used as a base coverage for several maps used in the analysis of other data.

**Labor market area (LMA)**

Using the concept of “labor market area,” I constructed multicounty groups, which composed the LMAs designated through commuting-zone patterns by Tolbert and Sizer (1996) for 1990. The counties composing each LMA are illustrated in each map through a GIS procedure called a “polygon overlay” (LMA boundaries superimposed over constituent county polygons) and can be specifically identified in Tolbert and Sizer. In some maps, each LMA is labeled according to the rural-urban classification, ranging from “major metropolitan” to “small urban” labor market in Mississippi.

**Licensed child care facilities**

The Mississippi Department of Health maintains a database of child care facilities in the state that are awarded licensed status under the terms of the state’s requirements for licensure. I geocoded each facility using ESRI’s Streetmap database, a version of GDT’s Dynamap 1000 product (see Environmental Systems Research Institute 1997). For each facility, the maximum number of children who can be served under the terms of the license, the current number of children enrolled, the typical number of openings for additional children, and the number of employees at the facility were included into the final data set. These data were summarized at the county and LMA level in some portions of the analysis.

**Job-matching ratio**

This is the ratio of TANF recipients in 1996 to the projected job growth over the period 1997–2002. This period matches the 60-month window set forth in PRWORA for maximum lifetime benefits available under TANF. The *raw job-matching ratio* is the sum of ratios of 1996
TANF recipients to the projected change in jobs during 1997–2002 for the three job classes of unskilled, skilled, and white-collar occupations. The *weighted job-matching ratio* is the raw job-matching ratio weighted by the proportions of 1996 TANF recipients in the three educational groups (less than a high school diploma, a high school diploma, and postsecondary education). The composite or weighted job-matching ratio is an estimated “absorption index” of the capacity of a local area to “absorb” TANF cohort members into jobs that match their educational credentials. An issue arises for both job-matching ratios when projected employment growth is negative; that is, a net job loss is forecast for the area. In these instances, the resulting job-matching ratio simply reflects the relative magnitude of TANF recipients to the projected loss in jobs over the period. Because this negative ratio does not follow the intended metric for the job-matching ratio, I simply label it as “job loss” in tables or maps.

LABOR MARKET CAPACITY FOR ABSORBING WELFARE CASELOADS

Cash Assistance Caseload Trends

I first examine trends in the AFDC/TANF caseload during most of the decade of the 1990s. Like most other states, Mississippi experienced a dramatic downturn in caseload during welfare reform, and this decline began in virtually all labor market areas as early as 1993 (Howell 2000). However, the spatial nature of LMA-specific declines is important to note in the context of this study. In Figure 11.1, I compare the declines for the 1991–1998 period among LMAs for the state capital area, Jackson, with the Mississippi Delta region (including the Clarksdale and Greenville labor markets) and other metro and non-metro labor markets. Two major findings can be drawn from Figure 11.1. The first is that the impoverished Delta region, comprising the Clarksdale and Greenville LMAs, is not where “most” of the TANF caseload was located in Mississippi, contrary to some public opinion. The Jackson metropolitan LMA by far held the single largest caseload.
during the early 1990s. In fact, the other various nonmetropolitan labor markets collectively had a far larger TANF caseload.

The second point is that the metropolitan LMA groups had the largest percent declines in caseloads over the 1991–1998 period (Jackson, –68.9%; Other MSA, –73.6%), although all four groups experienced TANF declines of about two-thirds (Delta, –62.9%; Other non-metro, –67.6%). Thus, the highly impoverished Delta labor markets had slightly smaller reductions in TANF caseloads, as a percentage of the 1991 base figure, and composed a moderate absolute size of the state’s entire TANF caseload by 1998. The single labor market area with the largest number of TANF recipients over this entire period was the Jackson metropolitan market.

**Supply Side: Education Levels and Available Jobs**

The distribution of 1996 TANF recipients by educational level across Mississippi’s labor market areas is key to determining how effective the welfare-to-work transition will be. Table 11.1 lists the num-
Table 11.1  AFDC/TANF Caseload by Education Level, 1996, with Estimates of “Job-Matching” and the Capacity to Absorb 1996 TANF Beneficiaries during 1997–2002

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Biloxi-Gulfport-Pascagoula MSA</td>
<td>2,205</td>
<td>930</td>
<td>1,630</td>
<td>0.57</td>
<td>858</td>
<td>7,532</td>
<td>0.11</td>
</tr>
<tr>
<td>Jackson MSA</td>
<td>4,947</td>
<td>2,227</td>
<td>886</td>
<td>2.51</td>
<td>2,070</td>
<td>6,809</td>
<td>0.30</td>
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<tr>
<td>Memphis, TN-AR-MS MSA</td>
<td>903</td>
<td>412</td>
<td>1,708</td>
<td>0.24</td>
<td>391</td>
<td>4,974</td>
<td>0.08</td>
</tr>
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<td>N-m Clarksdale</td>
<td>2,560</td>
<td>1,312</td>
<td>99</td>
<td>13.25</td>
<td>749</td>
<td>1,656</td>
<td>0.53</td>
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<tr>
<td>N-m Columbus</td>
<td>1,838</td>
<td>803</td>
<td>–2</td>
<td>–401.50</td>
<td>749</td>
<td>1,386</td>
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<tr>
<td>N-m Corinth</td>
<td>210</td>
<td>104</td>
<td>71</td>
<td>1.46</td>
<td>74</td>
<td>743</td>
<td>0.10</td>
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<td>N-m Greenville</td>
<td>3,450</td>
<td>1,828</td>
<td>–206b</td>
<td>–8.87c</td>
<td>1,189</td>
<td>556</td>
<td>2.14</td>
</tr>
<tr>
<td>N-m Hattiesburg</td>
<td>951</td>
<td>349</td>
<td>412</td>
<td>0.85</td>
<td>425</td>
<td>2,035</td>
<td>0.21</td>
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<tr>
<td>N-m Laurel</td>
<td>551</td>
<td>244</td>
<td>52</td>
<td>4.69</td>
<td>237</td>
<td>877</td>
<td>0.27</td>
</tr>
<tr>
<td>N-m McComb</td>
<td>1,261</td>
<td>588</td>
<td>130</td>
<td>4.52</td>
<td>499</td>
<td>1,091</td>
<td>0.46</td>
</tr>
<tr>
<td>N-m Meridian</td>
<td>977</td>
<td>466</td>
<td>236</td>
<td>1.97</td>
<td>406</td>
<td>1,539</td>
<td>0.26</td>
</tr>
<tr>
<td>N-m Tupelo</td>
<td>602</td>
<td>343</td>
<td>756</td>
<td>0.45</td>
<td>214</td>
<td>2,923</td>
<td>0.07</td>
</tr>
<tr>
<td>N-m Vicksburg</td>
<td>1,388</td>
<td>603</td>
<td>–32b</td>
<td>–18.84c</td>
<td>529</td>
<td>578</td>
<td>0.92</td>
</tr>
<tr>
<td>Statewide</td>
<td>21,843</td>
<td>10,209</td>
<td>5,740</td>
<td>1.78</td>
<td>8,515</td>
<td>32,699</td>
<td>0.26</td>
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</table>
Table 11.1 (Continued)

<table>
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</thead>
<tbody>
<tr>
<td>Biloxi-Gulfport-Pascagoula MSA</td>
<td>417</td>
<td>7,400</td>
<td>0.06</td>
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<tr>
<td>Jackson MSA</td>
<td>650</td>
<td>8,651</td>
<td>0.08</td>
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<tr>
<td>Memphis, TN-AR-MS MSA</td>
<td>100</td>
<td>4,160</td>
<td>0.02</td>
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<tr>
<td>N-m Clarksdale</td>
<td>374</td>
<td>1,637</td>
<td>0.23</td>
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<tr>
<td>N-m Columbus</td>
<td>286</td>
<td>1,497</td>
<td>0.19</td>
</tr>
<tr>
<td>N-m Corinth</td>
<td>32</td>
<td>701</td>
<td>0.05</td>
</tr>
<tr>
<td>N-m Greenville</td>
<td>433</td>
<td>519</td>
<td>0.83</td>
</tr>
<tr>
<td>N-m Hattiesburg</td>
<td>177</td>
<td>2,296</td>
<td>0.08</td>
</tr>
<tr>
<td>N-m Laurel</td>
<td>70</td>
<td>780</td>
<td>0.09</td>
</tr>
<tr>
<td>N-m McComb</td>
<td>174</td>
<td>942</td>
<td>0.18</td>
</tr>
<tr>
<td>N-m Meridian</td>
<td>105</td>
<td>1,443</td>
<td>0.07</td>
</tr>
<tr>
<td>N-m Tupelo</td>
<td>45</td>
<td>2,820</td>
<td>0.02</td>
</tr>
<tr>
<td>N-m Vicksburg</td>
<td>256</td>
<td>708</td>
<td>0.36</td>
</tr>
<tr>
<td>Statewide</td>
<td>3,119</td>
<td>33,554</td>
<td>0.09</td>
</tr>
</tbody>
</table>

*a* N-m = nonmetro.
*b* There is a projected job loss during the 1997–2002 period.
*c* These ratios are a function of the projected job loss during the period 1997–2002 (see note “a”) and should not be interpreted substantively. Mathematically, they are the ratios of 1996 TANF recipients to the LMA’s projected loss of jobs during the period.

SOURCE: Author’s calculations based upon Mississippi Department of Human Services data and proprietary estimates from Wessex, Inc.
ber of 1996 AFDC/TANF recipients by education level for the 13 labor market areas in the state. These absolute counts are important in understanding the numbers of people who face the 60-month (lifetime) cut-off of cash assistance. These data are further summarized spatially in Figure 11.2, a map of the state’s labor markets, the “urban influence” in their underlying counties, and the distribution of TANF education levels in the labor market area. In this map, each labor market area’s TANF caseload by educational level is expressed as a percentage of the total caseload using a pie-chart symbol superimposed on each LMA. The raw counts in Table 11.2 and the percentages in Figure 11.2 each tell a different part of the story regarding the “supply-side” educational credentials of TANF beneficiaries across the state.

Table 11.1 shows that, in 1996, the LMAs of Jackson and Greenville had the largest pool of AFDC recipients. Jackson is a metropolitan-based labor market and the state capital, while Greenville is decidedly nonmetropolitan and in the heart of the Mississippi Delta. The nonmetro Clarksdale LMA, also in the Delta, and the metro Biloxi-Gulfport LMA, follow in rank order. In contrast to some assumptions about welfare beneficiaries (e.g., Blank 1997a; Leete and Bania 1996; Leete, Bania, and Coulton 1998), there are significant numbers of TANF recipients with post-high-school education. Other studies reviewed by McKernan et al. (in this volume, p. 257) suggest that between 9 percent and 26 percent of welfare recipients had postsecondary education. In fact, based on further analysis of data not shown in Table 11.1, a significant number of these recipients hold college degrees in several of these labor market areas.

Figure 11.2 contains a spatial visualization using pie-chart proportions of cases by educational level for each LMA. As the tabular numbers and the proportional pie-charts show, most welfare recipients in each labor market have less than a high school education, which is not surprising given the economic qualification requirements for AFDC/TANF and the fact that low education attainment is associated with lower income levels. What is surprising is the number of LMAs with at least one-fourth of the AFDC/TANF caseload with postsecondary education. Some of these are near the state’s public universities or “high tech” government installations (e.g., NASA’s Stennis Space Center in Hancock County). Thus, these data show that the AFDC/TANF program has also served as a support system for women
Figure 11.2 TANF Recipient Education Levels by USAD Urban Influence Code within Labor Market Areas

TANF '96 Schooling Level (% in Pct.):
- Less than High School
- High School Diploma
- Post-High School Education (incl. College degree)
- MSA (1990 Definition)
- Labor Market Area

Urban Influence Classification:
- Large Metro
- Small Metro
- Adj. Large Metro w/o City 10K+
- Adj. Small Metro w/City 10K+
- Adj. Small Metro w/o City 10K+
- No 1 Adj. Metro w/City 2-500
- No 1 Adj. Metro w/o City > 2,500

Table 11.2  Estimates and Projections of White-Collar, Skilled, and Unskilled Jobs in Mississippi, 1997–2002

<table>
<thead>
<tr>
<th>Labor market area (1990)</th>
<th>No. of white-collar jobs</th>
<th></th>
<th>No. of skilled jobs</th>
<th></th>
<th>No. of unskilled jobs</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Biloxi-Gulfport Pascagoula MSA</td>
<td>67,686</td>
<td>75,086</td>
<td>10.93</td>
<td>71,057</td>
<td>78,589</td>
<td>10.60</td>
</tr>
<tr>
<td>Jackson MSA</td>
<td>108,021</td>
<td>116,672</td>
<td>8.01</td>
<td>100,026</td>
<td>106,835</td>
<td>6.81</td>
</tr>
<tr>
<td>Memphis, TN-AR-MS MSA</td>
<td>27,310</td>
<td>31,470</td>
<td>15.23</td>
<td>35,909</td>
<td>40,883</td>
<td>13.85</td>
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<tr>
<td>N-ma Clarksdale</td>
<td>28,362</td>
<td>29,999</td>
<td>5.77</td>
<td>28,875</td>
<td>30,531</td>
<td>5.74</td>
</tr>
<tr>
<td>N-m Columbus</td>
<td>25,758</td>
<td>27,255</td>
<td>5.81</td>
<td>26,643</td>
<td>28,029</td>
<td>5.20</td>
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<td>N-m Corinth</td>
<td>9,577</td>
<td>10,278</td>
<td>7.32</td>
<td>11,495</td>
<td>12,238</td>
<td>6.46</td>
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<td>N-m Greenville</td>
<td>18,526</td>
<td>19,045</td>
<td>2.80</td>
<td>18,235</td>
<td>18,791</td>
<td>3.05</td>
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<td>N-m Hattiesburg</td>
<td>24,175</td>
<td>26,471</td>
<td>9.50</td>
<td>23,861</td>
<td>25,896</td>
<td>8.53</td>
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<td>N-m Laurel</td>
<td>14,209</td>
<td>14,989</td>
<td>5.49</td>
<td>17,648</td>
<td>18,525</td>
<td>4.97</td>
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<td>N-m McComb</td>
<td>16,519</td>
<td>17,461</td>
<td>5.70</td>
<td>19,516</td>
<td>20,607</td>
<td>5.59</td>
</tr>
<tr>
<td>N-m Meridian</td>
<td>21,626</td>
<td>23,069</td>
<td>6.67</td>
<td>24,300</td>
<td>25,839</td>
<td>6.33</td>
</tr>
<tr>
<td>N-m Tupelo</td>
<td>26,489</td>
<td>29,309</td>
<td>10.65</td>
<td>31,562</td>
<td>34,485</td>
<td>9.26</td>
</tr>
<tr>
<td>N-m Vicksburg</td>
<td>16,819</td>
<td>17,527</td>
<td>4.21</td>
<td>15,936</td>
<td>16,514</td>
<td>3.63</td>
</tr>
<tr>
<td>Statewide</td>
<td>405,077</td>
<td>438,631</td>
<td>8.28</td>
<td>425,063</td>
<td>457,762</td>
<td>7.69</td>
</tr>
</tbody>
</table>

**NOTE:** Values in all columns are estimates.

* N-m = nonmetro.

**SOURCE:** Author’s calculations based upon proprietary estimates from Wessex, Inc.
with dependent children and who have more than minimal educational training and who live in labor markets with significant white-collar employment opportunities.

In summary, although most 1996 cash assistance recipients had less than a high school education, there is a significant variation in educational levels that most other studies of welfare reform have not empirically considered. Moreover, this variation in both the number and the relative share of post-high-school recipients occurs along spatial lines. This variation in human capital availability may well prove to be an important aspect of the welfare-to-work prospects of the state’s TANF population.

**Demand Side: Employment**

To examine the employment, or “demand,” side of the equation, I examine occupational composition, employment trends, and projected shifts in the 13 LMAs during 1997–2002. The projections in the net growth of jobs by occupational grouping are shown in Table 11.2. These include the number of jobs in 1997 and 2002, as well as the percentage change over the five-year period among white-collar, skilled, and unskilled workers. Figure 11.3 contains a spatial visualization of the percentage that each of these job classes contributes to the total projected employment growth within each LMA over the period. However, for slow-growth labor markets, the “small” total may appear magnified by this proportionate representation. Together, this table and figure summarize our estimate of the “demand side” of the differences among LMAs that vary along the rural-urban continuum.

In Table 11.2, there are different patterns of growth projected for white-collar, skilled, and unskilled jobs in Mississippi’s labor market areas. First, there are relatively low levels of growth expected in jobs typically requiring unskilled workers, on the order of about 2.4 percent statewide. White-collar and skilled jobs are likely to grow at more than three times that rate—8.28 percent and 7.69 percent, respectively. Second, urban centers tend to fare better across the board in the projected growth rates within each of these three job sectors.

There are some key spatial differences among LMAs in these projected patterns of growth. Some labor markets will likely lose jobs with unskilled requirements. This sectoral decline is largely limited to
Figure 11.3 Percent Growth in Job Types, 1997–2000, by USDA Urban Influence Code within Labor Market Areas

the Delta region’s Greenville LMA, although Columbus (–0.01 percent) to the east and Vicksburg (–0.45 percent) in the lower Delta also technically have negative growth projections for unskilled workers. For skilled workers, the job growth prospects are brightest in the Memphis and Biloxi-Gulfport-Pascagoula LMAs, as skilled jobs are expected to increase by 13 percent and 10 percent, respectively (see Table 11.2). For white-collar workers, these same LMAs are showing growth projections of 15 percent and 11 percent over the 1997–2002 period. The Tupelo and Hattiesburg labor markets are likely to also register white-collar job growth of about 10 percent during this period. Thus, although metropolitan labor markets tend to have brighter prospects for employment growth over the initial period of the welfare-to-work transition, there are pockets of growth by type of job in more rural labor markets.

Some understanding of how new job growth composition is spatially distributed can be found in Figure 11.3. Recall that, in the pie-charts, projected growth in each job type is a proportion of total job growth. The consistent result here is that very little job growth will be in unskilled positions, and this includes both rural and urban labor markets. For instance, in the Clarksdale LMA, situated in the northern portion of the impoverished Delta region, projected new job growth will consist largely of white-collar and skilled-workers (about 50 percent each for the projected new job growth), but almost no new growth in unskilled positions. A similar pattern is found in the Greenville labor market as well as the nonmetropolitan Columbus and Vicksburg LMAs. The only areas where an appreciable proportion of unskilled new job growth is likely to occur are the metropolitan centers of Memphis, the Gulf Coast (Biloxi-Gulfport-Pascagoula), and the smaller urban labor markets of Tupelo and Hattiesburg. Thus, the rural-urban continuum in Mississippi is an important factor in the prospects that most AFDC/TANF beneficiaries face for obtaining continued employment.

It is clear that Mississippi’s labor markets vary in ways that may affect the welfare-to-work transition, yet these rural-urban patterns may well parallel those seen nationally (see Gibbs, in this volume, p. 51). These patterns represent a type of socioeconomic “kaleidoscope,” in which the composition of educational credentials among TANF recipients varies from labor market to labor market, and the projected employment growth patterns vary spatially, with different labor markets
offering different occupational and growth trajectories. It is the spatial dimension within this kaleidoscope that is the most critical aspect of this study. The extent of the spatial mismatch between TANF recipients’ educational credentials and the general occupational requirements of employers who are experiencing new job growth represents the “job-matching” outcomes in these LMAs.

**Spatial Mismatch between Education of TANF Recipients and Available Jobs**

The approach used in this study is the “absorption index” based on the ratio of AFDC/TANF recipients in 1996 to the projected job growth over the succeeding three years, as illustrated in Howell (1997c) and described above. Thus, the higher the ratio, the more welfare recipients per projected available jobs in the immediate future and, therefore, a bleaker picture for a successful transition from welfare to work. A ratio of 1 indicates one net additional job available during the period being considered. A ratio less than 1 indicates more than one job per TANF recipient. If the ratio is greater than 1, there will be fewer than one new job per TANF recipient. I attempt to improve on my previous work by using the gross categories of white-collar, skilled, and unskilled job types “matched” with educational credentials of postsecondary school, high school only, and less than high school education levels, respectively.

Because the number of AFDC/TANF recipients in a labor market area varies across these three educational levels, a refined job-matching index was constructed by “weighting” the components of the crude job-matching index by the proportions of AFDC/TANF recipients within each educational level. This “composite” job-matching index reflects my best estimate of the absorption capacity of each labor market area for successfully merging welfare beneficiaries into the paid labor force.

The results are summarized in Table 11.1 and in Figure 11.4. Both the crude and composite job-matching ratios, as well as the individual crude ratios for each educational level, are shown in Table 11.1. I first discuss the statewide results and follow by comparing them spatially.

Statewide, the 1996 cohort of AFDC/TANF recipients will outnumber new job growth by a ratio of 2.13 or, put another way, there will be just over two TANF recipients from the 1996 cohort for each net
Figure 11.4  Labor Market Absorption Capacity for Composite “Job-Matching” Educational Credentials of 1996 TANF Recipients to Employment Growth, 1997–2000

SOURCE: U.S. Bureau of the Census; Wessex Inc. (proprietary); Mississippi Department of Human Services.
new job created during the succeeding five years (see Table 11.1). This statewide, crude job-matching index does not take into account the imbalance across the three levels of educational credentials held by the 1996 cohort. Once this crude job-matching index is “weighted” by the educational levels, the composite index is 0.95, suggesting that, throughout the state, there will be almost one net new job per TANF recipient in 1996. Of course, welfare recipients will not be the only ones competing for such jobs, and this is not an indication that the state’s various labor markets will “completely” absorb such individuals (i.e., the spatial mismatch problem).

In that regard, these results suggest the not-too-surprising finding that those with more education will face better odds of being successfully absorbed into the state’s paid labor force. The crude job-matching indexes in Table 11.1 indicate that, among those without a high school degree, there will be 1.78 TANF recipients per each net new, unskilled job over the five-year period. In stark contrast, the crude job-matching indexes are 0.26 and 0.09, respectively, for skilled (high school or equivalent) and white-collar (postsecondary) job growth. Clearly then, at the state level, there are significant labor force challenges for members of the 1996 TANF cohort who do not at least hold a high school diploma. However, specific jobs tend to be held in local labor markets, and the statewide picture masks important spatial differences across local labor markets in Mississippi.

I address the spatial mismatch issue by, first, comparing labor markets on the “weighted” composite job-matching index and, second, by comparing them on the crude index for each educational-occupational sector. Figure 11.4 shows that the composite job-matching index varies substantially across the state’s local economies, expressed through labor market areas. (A high positive score in Figure 11.4 indicates that there are more 1996 TANF recipients than projected jobs for which their current educational credentials match the typical job entry requirements. A negative score [labeled “Projected Job Loss”] indicates the ratio of TANF recipients to the projected job loss over the period.) The fate of the three LMAs with projected total job losses—two of which are in the Delta—is clearly negative. In the northern part of the Delta region, the Greenwood labor market area also has a bleak outlook, with a composite index of 7.01 TANF recipients per net new job. For the Delta region as a whole, either outright net job loss or a very
stiff competition appears to face TANF recipients seeking jobs matching their existing training.

Elsewhere in Mississippi, the spatial matching is somewhat more promising. Areas of the state such as the urban LMAs of Jackson, McComb, Laurel, and Meridian have between one and two beneficiaries per new job during the period under review. The remaining LMAs, including Memphis, Tupelo, Hattiesburg, and the Gulf Coast, are all projected to fare much better. The composite job-matching indexes for these LMAs, as shown in Table 11.1, are all below 0.75, indicating that it is projected to be about 1.33 jobs (1/0.75) that “match” each TANF beneficiary’s education level. The Corinth LMA has a composite index of 0.77, which effectively places it in a similar position to the pockets of relative optimism on the Gulf Coast and in the Memphis-Tupelo corridor. Thus, overall, the “job-matching” capacity of Mississippi is quite varied, depending on the area. The Delta and the Columbus areas face a bleak outlook for success in moving recipients into the labor force, while urbanized northern and southern extremes have reason to be relatively optimistic.

There appear to be two essential phenomena underlying these spatial patterns. One is simply the poor outlook for net employment growth in the larger urban Columbus, Greenville, and Vicksburg LMAs. The other is the spatial “mismatch” between the types of new jobs likely to be produced relative to their general education requirements. The Clarksdale LMA perhaps faces this challenge more than elsewhere in the state, but Jackson, McComb, Meridian, and Laurel LMAs are not far behind.

Examining the crude job-matching indexes for each education level held by TANF recipients helps identify where the most serious challenges exist for the welfare-to-work transition, given the projected new job growth described above (see Tables 11.1 and 11.2). The job-matching index for white-collar jobs and postsecondary education levels shows that in no case are there more welfare beneficiaries with postsecondary schooling than net new white-collar jobs. However, there is a familiar spatial pattern of inequality, even among the most educated TANF group. There is a more optimistic set of odds for those TANF beneficiaries with postsecondary credentials living in either the Memphis (effectively DeSoto County, Mississippi, in this case) or the Tupelo LMAs; there is projected to be 0.02 beneficiaries per new white-col-
lar jobs (or 50 new jobs per TANF beneficiary). By contrast, the Delta’s Greenville labor market has a crude index value of less than 0.83 (or 1.2 jobs per beneficiary), suggesting that postsecondary TANF recipients living there face the most difficult challenge, owing largely to the relatively small number of white-collar jobs being forecast for 1997–2002. The familiar rural and/or Delta region labor markets, such as Clarksdale (0.23), Columbus (0.19), and Vicksburg (0.36), are more similar to the Greenville LMA, while more urban labor markets, such as Hattiesburg (0.08), Biloxi (0.06), and Meridian (0.07), tend to be nearer to the Memphis-Tupelo corridor’s prospects.

The picture for skilled jobs and TANF recipients with high school diplomas tends to parallel that for white-collar jobs in terms of the spatial mismatch. The Greenville LMA faces the most difficult odds in generating new skilled jobs relative to the TANF beneficiaries with high school diplomas or its equivalent. In fact, these beneficiaries in the Greenville labor market hold about a 2:1 (index value of 2.14) margin over new growth in skilled positions. The most optimistic odds are in the Memphis-Tupelo corridor because skilled jobs will outnumber TANF recipients by approximately 13 to 1 (the reciprocal of index values of 0.08 and 0.07, respectively). The urbanized Gulf Coast region, including the Biloxi-Gulfport-Pascagoula and Hattiesburg labor market areas, and the Corinth area follow suit, with skilled jobs projected to range from 4 to 9 per welfare recipient with a high school education. These results clearly parallel those for white-collar job growth and the “job-matching” absorption capacity of Mississippi’s local labor markets.

Given that a preponderance of TANF recipients hold less than a high school education, the results for the unskilled job sector is nearly identical to that of the composite index itself. In fact, the Spearman rank-order correlation between the composite index results and the crude index for the unskilled jobs sector is +0.974. Thus, I will omit a repetitious review of these results shown in Table 11.1 since the spatial patterning is virtually the same as that described for the composite index displayed in Figure 11.4.

**Child Care Availability and Capacity in Labor Market Areas**

Holding a paid job requires more than simply an available position. Job performance is a crucial aspect of permanent employment. The
vast majority of TANF mothers have dependent children and so the availability of quality child care is a potential barrier to a sustainable welfare-to-work transition.

I examined the availability and capacity of licensed child care using data from the Mississippi Department of Health’s Child Care licensure database. Although the database does not include all child care arrangements, facilities licensed by the state have met certain child care accreditation standards and, therefore, are likely to render higher-quality care than others (see Howell and Wade 1990). My objective was to analyze the current operating capacity of the licensed child care facilities with respect to the labor market in which they operate. Namely, is there enough capacity in the existing child care system to accommodate those who would choose to make use of this system? Although I cannot fully answer this question, my analysis is perhaps a necessary beginning. I consider both the capacity and the proximity of licensed child care to the former TANF beneficiary.6

The results show that licensed child care is more concentrated in cities, but not all of these cities are in the most urban areas. As the level of urban influence declines so does the density of licensed child care establishments (Howell 2000). The three metropolitan areas in the state (circa 1993) have significantly greater concentrations of child care facilities, following a well-worn fact of business economics: markets drive service. These spatial patterns do not differ appreciably from the statewide study a decade earlier by Howell and Wade (1990).

The data were summarized by Labor Market Area (Table 11.3). The maximum licensed capacity reported by the Department of Health is 100,817 “slots” for children. At last count, these licensed “positions” were being used at 64 percent capacity (i.e., 64,519 children were occupying these 100,817 slots).7 Theoretically, this leaves an estimated 36,298 openings in licensed child care facilities. Given that most 1996 TANF recipients had at least one dependent child, there was a potential “demand” among that population of at least 21,843 (or 60 percent of these openings), as shown in Table 11.3. If 1996 TANF recipients had more than one dependent child, an additional 20 percent more openings would be needed to fully meet the TANF demand. Although this exercise makes for an interesting initial assessment, the state-level analysis does not help us understand whether there is a “spatial match” between available child care and the welfare-to-work transition.

The variation across labor markets in the number of estimated
### Table 11.3 Current Operating Capacity of Licensed Child Care Facilities by Labor Market Area

<table>
<thead>
<tr>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total no. of facilities</td>
<td>Maximum licensed capacity</td>
<td>No. of openings</td>
</tr>
<tr>
<td>Biloxi-Gulfport-Pascagoula MSA</td>
<td>151</td>
<td>11,371</td>
<td>5,262</td>
</tr>
<tr>
<td>Jackson MSA</td>
<td>401</td>
<td>29,885</td>
<td>10,157</td>
</tr>
<tr>
<td>Memphis, TN-AR-MS MSA</td>
<td>95</td>
<td>6,255</td>
<td>3,089</td>
</tr>
<tr>
<td>N-m Clarksdale</td>
<td>147</td>
<td>8,027</td>
<td>2,321</td>
</tr>
<tr>
<td>N-m Columbus</td>
<td>130</td>
<td>6,895</td>
<td>2,924</td>
</tr>
<tr>
<td>N-m Corinth</td>
<td>50</td>
<td>1,852</td>
<td>638</td>
</tr>
<tr>
<td>N-m Greenville</td>
<td>133</td>
<td>7,443</td>
<td>2,696</td>
</tr>
<tr>
<td>N-m Hattiesburg</td>
<td>90</td>
<td>5,068</td>
<td>1,382</td>
</tr>
<tr>
<td>N-m Laurel</td>
<td>43</td>
<td>2,534</td>
<td>641</td>
</tr>
<tr>
<td>N-m McComb</td>
<td>82</td>
<td>4,308</td>
<td>1,526</td>
</tr>
<tr>
<td>N-m Meridian</td>
<td>71</td>
<td>4,647</td>
<td>853</td>
</tr>
<tr>
<td>N-m Tupelo</td>
<td>165</td>
<td>7,988</td>
<td>3,080</td>
</tr>
<tr>
<td>N-m Vicksburg</td>
<td>70</td>
<td>4,544</td>
<td>1,729</td>
</tr>
<tr>
<td>Statewide</td>
<td>1,628</td>
<td>100,817</td>
<td>36,298</td>
</tr>
</tbody>
</table>

\( ^a \) N-m = nonmetro.

**SOURCE:** Author’s calculations based upon data from the MS Dept. of Health, MS Dept. of Human Services, and proprietary employment estimates from Wessex, Inc.
“openings” in licensed child care centers is considerable (Table 11.3) and these are related to being an urbanized area. For instance, the metropolitan Jackson LMA has twice the number of openings (greater than 10,000) than does the next nearest labor market, the metropolitan Biloxi-Gulfport-Pascagoula LMA, which has room for about 5,200 additional children. At the other end of the scale, the nonmetro Laurel (641 openings) and Corinth (638) labor markets have the lowest number of openings. When these openings are expressed as the percent of total licensed capacity, or the percent of operating capacity, a similar picture occurs. The LMAs with the lowest operating capacities are the metro Memphis (DeSoto County) at 51 percent and Biloxi-Gulfport-Pascagoula at 54 percent. However, the pattern varies somewhat irrespective of rural-urban status. For example, the next lowest operating capacity can be found in the rural Columbus labor market at 58 percent while the small urban Meridian LMA tops out at 81 percent. Thus, although the largest metropolitan labor markets in the state have the greatest number and share of child care openings, there is an irregular spatial pattern throughout the rest of the state on the remainder of openings by labor market.

The main issue for welfare reform, of course, is whether the vacancies are in proximity to TANF recipients. The ratios computed in Table 11.3 show a crude rate of vacancies in licensed child care facilities to the number of 1996 AFDC/TANF cohort members (assuming one child per adult). If this ratio is 1, then the number of vacancies matches estimated “demand.” Fluctuations above 1 indicate a greater likelihood of meeting demand, and the converse is true for ratios less than 1. The LMAs of Greenville, Clarksdale, and Meridian all have ratios less than 1, similar to their employment absorption capacity. The Delta labor markets, in contrast, fall short of demand. The pattern is consistent with the even more dramatic results obtained by Howell and Wade (1990, p. 18) a decade ago, who identified the Delta region of the state as the area in which “there are at least 1,500 additional preschool children who need day care service but who are not currently in such a facility . . . a similar pattern . . . occurs for school-age children.”

On the other end of the spectrum, the Tupelo LMA appears to be in the best position to accommodate TANF recipients’ child care needs. With a ratio of vacancies to welfare recipients of 5.12, the Tupelo area substantially leads the Memphis (DeSoto County) LMA (3.42) and the Corinth LMA (3.04) in carrying capacity.
In summary, the need for additional carrying capacity in child care would not be obvious without examining the spatial coincidence of the child care system and the welfare reform process. There are clearly labor markets in which additional child care establishments are needed to complement the transition off the welfare rolls. This appears to be especially true in the impoverished Delta region. Although more careful analyses are needed, past studies (Howell and Wade 1990; Howell and Mason 1991a, b), combined with this preliminary assessment, strongly suggest that the child care system in Mississippi is an important part of building a sustainable welfare-to-work transition.

DISCUSSION

The 1996 welfare reform act (PRWORA) instituted a maximum five-year lifetime benefit limit for TANF recipients. For Mississippi, a state both steeped in historically high poverty rates and the recent beneficiary of a growth economy, the success of the welfare-to-work transition constitutes an important social laboratory for the grand experiment that is the current welfare reform initiative. In many ways, the 1996 cohort of welfare recipients constitutes a vital part of the experiment, given that they are the first group to experience the welfare reform package. Thus, the time and the place offer an attractive space-time setting to examine the welfare-to-work transition.

The findings from this study offer some key insights in understanding the labor market areas in Mississippi and their capacity to successfully absorb welfare beneficiaries who must leave public support. Significant variation exists among the state’s LMAs in their projected ability to effectively “absorb” this cohort of TANF recipients and a significant part of this result is linked to the spatial context of the labor market. The Delta labor markets around Greenville and Clarksdale and also in the Columbus area in the eastern part of the state face an especially clear challenge. These LMAs were projected to suffer net job losses, possibly requiring TANF beneficiaries to reach beyond their resident labor market areas to find employment.

The ability of these TANF beneficiaries to find employment that generally “matches” their educational skills is a vital part of the employment process. The findings suggest that there will be almost one
net new job per member of the 1996 TANF cohort. However, welfare beneficiaries are not the only ones looking for work, and the methods used in this study are decidedly optimistic, favoring potential employment outcomes for TANF recipients.

The LMA comparisons perhaps tell a more realistic story about the prospects for successful welfare-to-work transitions. The major areas that will likely experience much easier transitions are the urban centers of Memphis, Tupelo, Hattiesburg, and Gulf Coast areas. The most challenging areas for generating jobs that “match” the educational credentials of TANF recipients are the more rural areas of Greenville, Clarksdale, and Columbus. The Jackson, McComb, Meridian, and Laurel labor markets, however, are not far behind.

How well the licensed child care system will facilitate welfare reform is also mixed and spatially dependent. In general, the core labor market areas in the Delta region—Greenville and Clarksdale—have a weaker capacity for licensed child care. By contrast, the Tupelo labor market area has much greater capacity relative to the potential needs of the TANF recipients. These results are generally compatible with the studies conducted by my colleagues and me at the beginning of the 1990s (Howell and Wade 1990; Howell and Mason 1991a, b). A significant expansion of the licensed child care system, especially in the core labor market areas of the Delta region, may significantly benefit the welfare-to-work transition.

There are several issues and limitations to this study. One is that I do not investigate racial patterns in the transition-to-work prospects of Mississippi TANF recipients. In a state with a large African-American population, and one with a poor history of race relations, this is a significant limitation. A second issue involves the assumptions made in the simple index used in this study. It assumes that TANF recipients do not move across LMAs to seek employment, that only TANF recipients compete for new job growth, that TANF recipients are unwilling to be significantly underemployed (e.g., post-high-school educated TANF recipients not taking unskilled labor jobs), and that the crude classifications used adequately represent educational requirements of the job classes used for matching. A third issue is the need for geo-referenced microdata on TANF households, prospective employers, licensed child care centers, and microdata on TANF households regarding dependent children and other vital information.

In summary, labor market areas around the state vary widely in
their apparent capacity to create net job growth that matches the educational credentials of this cohort. Moreover, the labor market areas of the state that are likely to be the most challenged by this spatial mismatch are also those with the weakest carrying capacity for licensed child care facilities (see Howell 2000). Public policy should pay close attention to creating investment opportunities for licensed child care establishments. Given the interwoven nature of the welfare-to-work process, policymakers should take heed and coordinate current programs that will reduce and alleviate these problems if the social contract embedded in PRWORA is to be fulfilled.

Notes

This chapter was supported by a grant from the U.S. Department of Health and Human Services, the Administration for Children and Families, to the Mississippi Department of Human Services, and a subcontract to the Center for Applied Research at Millsaps College, Jackson, Mississippi. Dr. William Brister was the Principal Investigator. The author’s collaboration with Lionel J. (Bo) Beaulieu, Lynn L. Reinschmiedt, and William Brister is gratefully acknowledged. The comments of Jill Findeis (Pennsylvania State University), Bonnie Thorton Dill (University of Maryland), Barbara Ray, and the editors are also sincerely appreciated. Proprietary data obtained from Wessex, Inc., were used in this study to make estimates for labor market areas in Mississippi. Every effort has been made to not disclose the proprietary county-level data in this aggregation process but we are not responsible for the actions of others. Any errors of fact or interpretation, however, are those of the author.

1. Using peak months allows us to examine the maximum potential TANF caseload, a conservative strategy for studying the labor market’s capacity to absorb recipients into the labor force (Howell 1997c).

2. The county-level display of data in Howell (2000) shows even more detailed variation as certain counties have higher (and lower) levels of post-secondary education.

3. The Hattiesburg and Laurel areas achieved MSA-status in 1994 (Howell 2000), further evidence of the urban-centered growth in unskilled jobs.

4. As noted above, three LMAs are projected to experience a net job loss during the 1999–2002 period: Columbus, Greenville, and Vicksburg. This produces a negative job-matching ratio, of course, but one whose metric is essentially uninterpretable and only reflects the ratio of AFDC/TANF recipients to the projected job loss. In this event, I have labeled the spatial displays of the data shown in Table 11.1 as simply a “projected job loss” in these three LMAs.

5. This might, however, result in these recipients becoming underemployed rather
than not unemployed, and I do not take the underemployment issue into account in this simple labor market absorption model.

6. More detailed results regarding this portion of the analysis can be found in Howell (2000), including map displays of the spatial distribution of the licensed facilities.

7. Jill Findeis (University of Maryland) raised the question about the validity of these results since the 64 percent figure appeared to be low. I do not disagree that this “percent of capacity” figure appears low but, as with most administrative data, this is an estimate based upon the MS Department of Health’s official licensure database. My previous work on the child care system in Mississippi (Howell and Wade 1990; Howell and Mason 1991a, b) showed that some modeled estimates of the demand suggested that in 1990 the supply would have to virtually double to meet estimated demand. These results a decade later would suggest an illogical conclusion, that demand has been “exceeded” since the licensure database suggests that the system is only operating at about two-thirds capacity. One hypothesis about these results is that the current enrollment estimates reported to the Department of Health may be systematically underestimated by licensed providers so as to protect their license status. I am unable to reconcile this matter but would caution the reader to the potential liabilities that such administrative data bring with them for scientific analysis.

8. At this writing, I have not reconciled how best to conduct this important aspect of the investigation. If the TANF caseload data were to simply be separated by race, into whites and African-Americans, and “amortized” against the projected employment as two separate labor market absorption indices, then the resulting ratios would effectively ignore the complementary racial group’s competitive job-searching. That is, the separate indices would be artificially inflated by ignoring the other race-specific TANF number in the numerator portion of the job-matching ratio. There appears no practical means by which we can compute race-specific ratios since the projected job growth data are not race-specific. Despite these challenges, the issue of how race influences the welfare-to-work transition is a vital one to understanding welfare reform.

References


Rural Dimensions of Welfare Reform

Bruce A. Weber
Greg J. Duncan
Leslie A. Whitener
Editors

2002

W.E. Upjohn Institute for Employment Research
Kalamazoo, Michigan