ENCYCLOPEDIA on Early Childhood Development

Synthesis

How important is it?

In 1996, new legislation in the United States transformed the welfare system from a federal entitlement program to a state block grant that focused on encouraging and requiring very low-income parents to find jobs and stay employed. As a result, more single mothers have entered and remained in the labour force and teen pregnancy and out-of-wedlock birth rates have declined. Only recently has there been some evidence about the causal effects of welfare policies on children.

In Canada as well, responsibility for welfare programs has shifted to the provinces. In 1992, a Canadian study, the Self-Sufficiency Project[1] (SSP), was developed in an effort to reduce poverty, encourage steady work and reduce welfare dependency. SSP involved 9,000 one-parent families in both New Brunswick and British Columbia.

What do we know?

Welfare reform programs have been characterized by three policy components: earnings supplements, mandatory employment services and time limits. The dramatic negative effects on children that some expected as a consequence did not occur, but neither did consistent positive effects.

The outcomes for infants and toddlers are as yet unknown, although there is some indication that mothers' full-time work has negative consequences on children younger than nine months. Earnings supplements, designed to increase both employment and income, led to small but

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positive effects on preschool and elementary school-aged children's developmental outcomes. These outcomes were most consistent for school achievement and cognitive test scores, and appeared to be sustained into the long term. However, programs that increased maternal employment without increasing income had few and inconsistent effects on children's cognitive and social development.

The effects of welfare policies—particularly those with more generous earnings supplements—were most pronounced during two developmental transition periods: *positive* effects were found for children going from preschool into middle childhood, and *negative* effects were found for children making the transition out of middle childhood and into early adolescence. Possible factors leading to negative outcomes for teens may include harsher parenting as a result of working mothers' stress, teenagers having to care for siblings and mothers having less time to supervise teens.

In general, poor-children's outcomes have changed very little as a result of welfare reform. They continue to show lower levels of school involvement and higher levels of behavioural problems, regardless of whether or not their mothers receive welfare. Yet preschoolers of recent welfare-leavers have the highest levels of behavioural problems. Preschoolers and adolescents in sanctioned families also show problematic cognitive and behavioural outcomes. Mothers' marital, educational, mental and physical health status, as well as their parenting practices, seem to account for most of the welfare group differences.

What can be done?

Welfare policies are generally designed for adults, with little attention paid to the effects on their children. Yet the impacts on children (both positive and negative) should figure into the cost/benefit calculations.

Welfare reform policies can benefit younger children when designed in ways that increase the employment and the income of single parents. For policy-makers interested in using welfare policy to improve children's well-being, earnings supplements might be an important complement to programs aimed directly at improving the development of low-income children.

Since more parents are relying on child care as a result of welfare reforms, more attention should be paid to the quality of early-childhood education and care programs, especially family daycare, in order to foster children's positive development and school readiness. This is of

special concern given the long hours more and more young children are spending in child care, and the potentially low quality and instability of child care available for very young children.

Finally, policy-makers should be increasingly concerned about the potentially negative effects of welfare reform on adolescents, and should focus on the role of institutions and social context for adolescents. More research on the effects of welfare policies on children across their developmental stages would help inform policy-makers as they grapple with how to balance budgets and provide a cohesive and comprehensive social safety net for low-income families.

Reference

1. Michalopoulos C, Tattrie D, Miller C, Robins PK, Morris P, Gyamarti D, Redcross C, Foley K, Ford R. *Making Work Pay: Final Report on the Self-Sufficiency Project for Long-Term Welfare Recipients*. Ottawa, ON: Social Research and Demonstration Corporation; 2002. Available at: http://www.mdrc.org/publications/46/full.pdf. Accessed February 18, 2008.

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