

CHILD POVERTY: QUESTIONS AND ANSWERS

Question: Has welfare reform had an impact on child poverty?

Answer: Yes. Child poverty has fallen substantially since States began implementing work-based welfare reform programs.

- In 2000, the poverty rate for children was the lowest it has been since 1978 and had fallen 22% since 1995, the year before Congress enacted welfare reform.
- The poverty rate for African-American children is now the lowest ever recorded.
- The poverty rate for all children in female-headed families is also the lowest ever recorded.
- At 11.3 percent, the overall poverty rate in 2000 was the lowest it has been since 1974.

Question: What happened that has resulted in such progress in reducing child poverty?

Answer: Work and earnings by low-income mothers are up.

- Unprecedented increases have occurred in employment by low-income mothers heading families; many of these mothers either left welfare or were diverted from joining welfare.
- As a result, unprecedented increases have occurred in earnings by low-income mothers heading families; for example, mothers heading families and with total income below \$21,000 more than doubled their earnings.
- The overall strategy of Republican welfare reform has been to decrease welfare use, increase employment, and increase earnings. Census Bureau information on income, earnings, and poverty show unequivocally that this strategy has worked so well that earnings and income for low-income female-headed families are at all-time highs and child poverty is near its all-time low.

Source: White House, Domestic Policy Council, April 2002.