Poverty Around the Time of a Birth and the Role of Social Policies

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Introduction



- The arrival of a newborn can have significant financial implications for mothers and families.
- First-time mothers may be less likely to be employed in positions with the flexibility needed for child rearing.
- Mothers from minority backgrounds are more likely to be low-income and to be employed in positions without maternity leave.

Research Objective

To estimate poverty status in the six months before and after the arrival of a newborn for all mothers and by birth parity and race, and assess the extent to which current social supports mitigate economic losses surrounding a birth.

Data and Methods



Data

- 2014 and 2018 panels of the Survey of Income and Program Participation (SIPP)
 - Detailed monthly information on income, program participation, demographic characteristics, household composition, and fertility

Sample

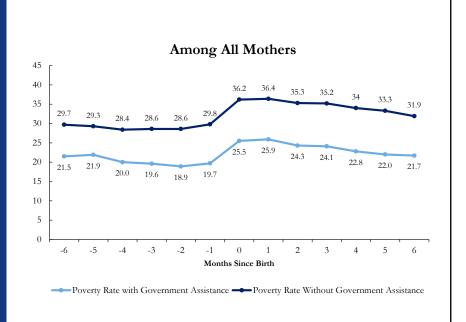
- Women with a birth during SIPP panel years
 - 966 mothers

Outcome Measure

Poverty Status (Supplemental Poverty Measure)

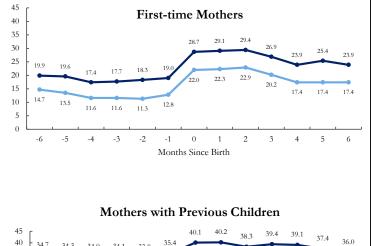
Findings

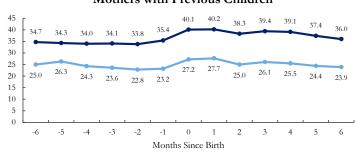
- Poverty rates among mothers significantly increase after birth and rates with government support is consistently lower.
- Increase in poverty rate is lower after childbirth with government support.



Findings

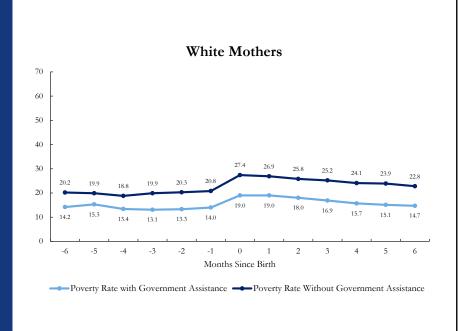
- First time mothers have consistently lower poverty rates than mothers with previous children, but sharper increase in poverty after birth
- Sharp increase in poverty immediately after childbirth even with government support





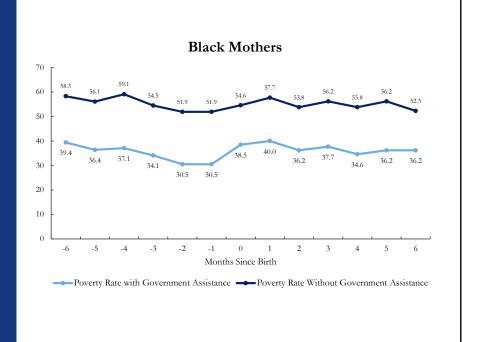
Findings

- Similar trend in poverty rates as with all mothers
- Increase in poverty rate is lower after childbirth with government support.



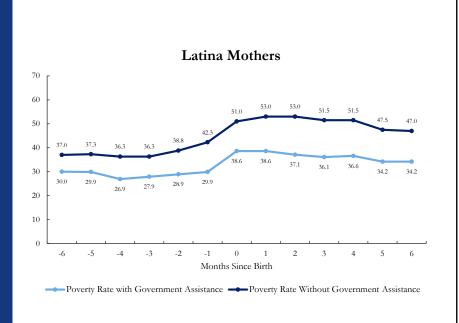
Findings

- Black mothers had the highest poverty rate of all racial groups.
- Government support important both before and after birth
- Substantial increase in poverty immediately after childbirth even with government support



Findings

- Higher poverty rate than White mothers, but lower than Black mothers
- Similar trend in poverty rates as with all mothers.
- Government support particularly important after childbirth



Discussion and Conclusion



- Government support helps reduce poverty among mothers with newborns, but additional help still needed.
- Additional Supports:
 - Family Leave Policy
 - Child Tax Credit
 - Birth Grants
- Future research to explore the impact these polices can have on the poverty rate of women around the time of birth.

