LESS-SKILLED WORKERS, WELFARE REFORM, AND THE UNEMPLOYMENT INSURANCE SYSTEM

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ABSTRACT

The declining economic position over the past two decades of those workers with less skill increases the importance of the unemployment insurance (UI) system in providing a safety net during periods of unemployment. Recent welfare reform legislation, designed to encourage labor market entry of typically very low-skilled workers who are likely to have unstable work patterns at best, potentially makes the UI system an even more critical component of the safety net. This paper seeks to determine how less-skilled workers typically fare in the UI system, estimating their likelihood of becoming eligible for and collecting benefits. We find that many workers who separate from a job, and particularly those with lower levels of skill, will not be compensated by the UI system. Although minimum earnings requirements keep some less-skilled job losers from receiving UI, it is the provision mandating that separations be "involuntary" that prevents most workers from gaining UI eligibility. These findings suggest that the UI system will provide little additional support to the safety net following welfare reform.

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Less-skilled workers' labor market success and income support during periods of unemployment has become an increasingly important issue. Research has shown that the disparity in economic outcomes between more and less-skilled workers has grown since the late 1970s (Levy and Murnane, 1992). In addition, levels of unemployment among less-skilled workers remain persistently high even in the face of a prolonged recovery and have risen relative to those with more skill.[1] Less-skilled workers who lose their jobs may also face a disadvantage in qualifying for benefits from the unemployment insurance (UI) system because eligibility rules are typically based on earnings requirements that these workers may be less likely to satisfy.

Recently enacted welfare reform legislation further increases the importance of the UI system and the benefits it provides to less-skilled workers. Newly implemented time limits on welfare receipt and other changes to the welfare system are intended to provide incentives for low-income individuals to find jobs. To the extent that these individuals become more successful in obtaining at least short-term employment, they may now apply for unemployment insurance (UI) rather than welfare in periods without work. Therefore, UI may partially replace some of the income support that previously has been provided by the welfare system. Yet the extent to which the UI system provides a safety net for less-skilled workers is not well understood.

In this paper, we use data from the National Longitudinal Survey of Youth to explore the extent to which the UI system provides support to less-skilled workers and will contribute to the safety net for those who move from welfare to work. We consider the work histories and UI receipt

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[1]Education is the measure of skill being used here, as documented below.

of less-skilled men and women, differentiating those who have received welfare in the past from those who have not. Because the incentives facing welfare recipients have changed so dramatically, their historical employment and UI experience may be a poor indicator of their subsequent labor market outcomes and UI receipt; it may serve as a lower bound for these outcomes in the future. The stronger employment histories of those less-skilled workers who have never received welfare probably indicate they are positively selected among all less-skilled workers. Nevertheless, their behavior may be viewed as an upper bound on the employment patterns and UI receipt that we can expect to observe from the population of all less-skilled workers, including former welfare recipients, in the future.[2]

Specifically, this paper will address the following questions: (1) how successful are less-skilled workers in gaining and keeping employment; (2) are less-skilled workers likely to be eligible for UI if they become unemployed; (3) how likely are less-skilled workers to actually collect UI; (4) how high are the average UI benefits for less-skilled workers and how do they compare to welfare payments; and (5) does UI eligibility and receipt among those separating from jobs vary over the business cycle? Our findings indicate that less-skilled workers have far more unstable work patterns compared to more-skilled workers, experiencing significantly greater unemployment especially during economic downturns. Although they are somewhat less likely to receive UI benefits if they separate from a job compared to those with more skill, all workers have very low rates of UI receipt. Minimum earnings requirements prevent some workers from qualifying for benefits, and somewhat more so for those with less skill, but it is the provision that separations be "involuntary" that prevents

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[2]It is also possible, although we believe unlikely, that former welfare recipients will fare better in the labor market since they will have stronger incentives to work than those who have not relied on welfare and may have other sources of income support.

most from gaining UI eligibility. Patterns of UI eligibility and receipt vary only slightly over the business cycle and, in fact, less-skilled women who separate from a job are no more likely to collect benefits during a recession. These findings indicate that the UI system will provide little additional support to the safety net following welfare reform.

INSTITUTIONAL BACKGROUND AND REVIEW OF RELATED LITERATURE

The UI system was designed with insurance principles in mind; one of its goals is to reduce the risk associated with lost income during an unanticipated spell of unemployment.[3] This means that a minimum attachment to work prior to an unemployment spell is required to establish that a real "loss" has taken place. States have the authority to define this level of minimum attachment. Generally, workers satisfy these "monetary eligibility" requirements if they have earned between $1,000 and $2,000 and worked in more than one calendar quarter in the "base period" (the one-year window beginning five calendar quarters before benefits were requested). Insurance principles also require that workers meet certain "nonmonetary eligibility"conditions. The spell of unemployment must have originated through no fault of the worker, excluding separations initiated by misconduct or a voluntary quit, and the worker must seek and be willing to accept available work.[4] Without such provisions, moral hazard problems could lead to excessive claims. Benefits are typically available to

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[3]For those who are eligible for UI, Gruber (1997) finds that this program provides a significant degree of consumption smoothing during periods of unemployment. The other goal of the UI system is to operate as an automatic stabilizer, providing greater expenditures during periods of recession (Advisory Council on Unemployment Compensation, 1994).

[4]Moreover, in most states these search activities must be directed towards obtaining a full-time job, regardless of how many weekly hours the individual worked in his/her last job.

those unemployed workers who are eligible for up to six months, but the precise maximum duration of benefits often depends upon an individual's work history.

The welfare system, on the other hand, is a transfer program that provides income to poor families that are "categorically eligible" for benefits. Traditionally, single mothers whose income is below a (very low) cut-off with children present in the household has been the required category; more recently the number of recipients in two-parent families and child-only cases has increased some. Up until October of 1996, the main cash transfer program was Aid to Families with Dependent Children (AFDC), and benefits under that program were considered an entitlement that had to be paid to all categorically eligible families, subject to relatively minor participation requirements.

Sweeping welfare reform legislation that took effect at that time replaced AFDC with a new program, Temporary Assistance to Needy Families (TANF), that provides block grants to states enabling them to administer their own cash transfer programs with minimal federal oversight, eliminating the entitlement nature of the program. The few federal guidelines that remain are targeted at providing work incentives to welfare recipients. Lifetime limits for welfare receipt have been imposed. The federal government requires states to impose between two and five year limits and states have generally opted for limits somewhere between the two. States are required to meet increasing work participation requirements so that 50 percent of the welfare caseload is working by 2002 or the state's block grant will be reduced. Accordingly, states have been increasing work mandates on welfare recipients and sanctioning those who fail to participate. Although no evidence is available regarding the effectiveness of these strategies on moving welfare recipients into the labor market, research does find that they have had a significant impact on lowering the number of

individuals receiving welfare (Council of Economic Advisers, 1997; Levine and Whitmore, forthcoming; Blank, 1997).

As welfare recipients are pushed into the labor market, their greater potential for unstable employment may lead some of them to make use of the UI system, which can reduce the constraint imposed by welfare's time limits. Yet most research that has been concerned with the interrelationship between the welfare and UI systems has focused on movements in the other direction. Since the UI system is funded by a tax paid by employers within a state and the welfare system is jointly funded between the state and federal government, states have an incentive to move poor, unemployed workers onto the welfare system. This work has yielded mixed findings regarding the extent of spillovers (c.f. Craig and Palumbo, 1995; Vroman, 1997a). But it provides little information for the questions posed by this research since it focuses on states' incentives to move these workers between systems, not workers' ability to qualify for an alternative form of income support.

In the immediate aftermath of welfare reform, some research activity has begun to emerge regarding this legislative change and the UI system. Vroman (1997b) simulates the impact of welfare reform on the number of UI cases and the financial condition of the UI system using a series of plausible estimates for the relevant parameters. He provides a "guesstimate" that 20 percent of those who leave the welfare rolls and become unemployed will receive UI. This work provides a useful benchmark for which subsequent data analysis may be compared. Kaye (1997) uses the National Longitudinal Survey of Youth in much the same way as we do in this analysis to examine the UI monetary eligibility of former welfare recipients between 1979 and 1991. She finds that only 35 percent of work exits among these women meet these eligibility requirements and concludes that UI

will not significantly add to the safety net for those leaving welfare. The work incentives facing welfare recipients have changed so dramatically, however, that the future work patterns and UI eligibility of these women could be significantly different from those observed in the past.

Alternatively, the patterns of UI eligibility and receipt among less-skilled workers more generally may help identify what we can expect to observe for former welfare recipients in the future. But little UI research has focused on this group of workers. What is available provides only indirect evidence, examining the impact of eligibility rules on benefit receipt (Advisory Council on Unemployment Compensation (ACUC), 1995; Vroman, 1995).[5] Because monetary eligibility is typically based on earnings, a low-wage worker needs to work more to qualify for benefits than a higher wage worker does. This evidence does not indicate the actual use of the UI system by less-skilled workers, however. In fact, the 1995 ACUC report indicates that an individual working half-time for 26 weeks at $6 per hour meets the monetary eligibility requirement in 47 states. Ultimately, the extent to which these rules are binding for less-skilled workers, as well as the impact of nonmonetary eligibility rules and the rate at which otherwise eligible workers take up their benefits are empirical questions that we address in this paper.

DATA AND EMPIRICAL STRATEGY

The data that we use in this analysis comes from the National Longitudinal Survey of Youth (NLSY). The NLSY provides detailed information on the personal and family backgrounds along

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[5]An even more indirect approach could consider the impact of changes in eligibility rules in the 1980s on the share of unemployment that is compensated by the UI system. One could assume that any reduction brought about by these changes was due to changes in eligibility of less-skilled workers. Findings by Corson and Nicholson (1988), Blank and Card (1991), Vroman (1991), and others conflict regarding the impact of these changes.

with detailed information on labor market activity of 12,686 individuals born between 1957 and 1964. Data collection began in 1979, when respondents were between the ages of 14 and 22, and continues to be collected through the present; at the time this research began, data were available through 1994.

These data possess numerous advantages for the purposes of this research. First, the length of the sample period along with the young age of respondents at its beginning are quite beneficial for the purposes of this project as it allows us to capture the process of labor market entry and follow workers while they become more established in the market. Moreover, through the sample period these individuals are similar in age to the typical welfare recipient, so projections about labor market outcomes following welfare reform may be more appropriate. Second, information on all jobs held during the survey period is collected, including starting/ending dates and reasons why the job ended. This provides us with the ability to track employment patterns and to estimate UI eligibility. Third, complete welfare histories are available so that we can identify which respondents had received welfare at some time over the sample period. Fourth, with the permission of the Department of Labor that sponsors the survey, it is also possible to determine the state of residence for each respondent in each year. This geographic identifier provides us with the ability to merge the parameters of a state's UI system onto a respondent's record so that UI eligibility can be determined.

Perhaps the most important characteristic of the sample for our purposes is its wealth of personal data including information that enables us to define a measure of an individual's level of "skill." One component of our skill measure is an individual's level of education, which is readily available in many data sources. An advantage of the NLSY, however, is that it also includes a standardized test score that is designed to measure an individual's aptitude/achievement, called the Armed Forces Qualifying Test (AFQT). For the purposes of this analysis, we define a less-skilled

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worker to be one who is a high school dropout and/or obtained a low (in the bottom 25 percent of the distribution) score on the AFQT.[6]

Our strategy in much of this analysis is to convert the individual database into one where a job is the unit of observation. To do this, we use the work history data file from the NLSY that provides weekly records of respondents' labor market activity, going back to 1978; in this analysis we consider all jobs held since the respondent turned age 16.[7] For each job reported, information on the starting and ending dates along with the hourly wage and reported reason for leaving the job are available. We focus on job separations that lead to a period of non-employment and define them to take place if no other job was held when the job ended and a new job was not obtained within two weeks.[8]

As described earlier, eligibility for UI requires a worker separating from a job to satisfy both monetary and non-monetary eligibility requirements. To determine monetary eligibility, information is needed on an individual's hours worked and earnings in each quarter of the worker's base period. With information on the date of job separation, we can identify an individual's base period and the weekly work history data provides the earnings and hours worked during this period so that we can

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[6]We have tested the sensitivity of our results to using high school dropouts as the only criteria for defining less-skilled workers and obtained similar results.

[7]For jobs reportedly held over one year, if the reported first week of work in year t+1 is two months or more later than the last week of work in year t, the job in year t+1 is coded as a new job.

[8]Anderson and Meyer (1997) apply a similar strategy in some models of the UI take-up rate. Along with Gottschalk and Maloney (1985), we find that workers experiencing job-to-job transitions are likely to do so voluntarily (only about 20 percent of job-to-job transitions originate with a layoff in our sample) and are unlikely to require the assistance of the safety net.

determine whether workers satisfied the UI monetary eligibility requirements.[9] To satisfy the non-monetary eligibility requirements, the job must have ended involuntarily (including quits for good cause as well as job loss) and the worker must seek and be willing to accept a new job. Unfortunately, we have little information on the circumstances surrounding a job separation and determining an individual's job search intensity or willingness to accept employment is difficult given the nature of the data. Instead, we implement a definition of nonmonetary eligibility that is easier to operationalize, coding all jobs that ended because of a layoff or lost job as meeting the non-monetary eligibility conditions.[10]

To determine whether a job separation led to the receipt of UI benefits, we use the month-by-month data on UI receipt that is reported retrospectively in each year's survey. If an individual was not receiving UI the month before a job separation and reported receiving UI within the following four months, we coded the separation as leading to UI receipt. We use this four month window to

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[9]Information on the specific monetary eligibility requirements in each state and year were obtained from various issues of "Significant Provisions of State Unemployment Insurance Laws," published by the Employment and Training Administration of the U.S. Department of Labor. An individual's base period is actually defined by the date of their claim, not the date of job loss. Without accurate data on the claim date, however, we use the date of separation as a proxy for calculating monetary eligibility. A determination of monetary eligibility was not possible for over a fifth of the sample because of missing data on hours worked or hourly wages.

[10]The direction of the bias introduced by this simplified definition is not clear. On the one hand, some workers who do not lose their jobs are still eligible for and receive UI. On the other hand, some job losers will not satisfy the condition that they search for and be willing to accept a new job. To obtain some magnitude of these conflicting biases, we estimated the eligibility status of those workers who report actually receiving UI benefits. Although our calculations indicate that virtually all actual recipients satisfy monetary eligibility, only two-thirds are estimated to be meet the nonmonetary eligibility conditions. These findings indicate that our calculations do miss a fair number of separations that were not initiated by a job loss, but do meet nonmonetary eligibility. Further analysis does indicate, however, that these errors in coding are unrelated to the gender/skill group of the worker, indicating that the relative differences across groups in eligibility reported below are unaffected by this problem.

allow for some retrospective reporting error and/or short delays in filing a claim following a separation. With subsequent UI receipt attached to the records of those who separate from jobs, we can estimate the UI take-up rate as the share of UI eligible workers who report receiving UI. We can also estimate the overall rate of UI receipt among all job separators that experience a period of nonemployment, regardless of eligibility.[11] Finally, for each UI eligible job separation, we use the worker's base period earnings and employment along with each state's UI benefit schedule and maximum duration of benefits formula to determine the level of benefits and the maximum length of time that benefits can be received.

Once these measures are created, they are compared between five different groups of workers: more- and less-skilled men, more-skilled women and less-skilled women differentiated by their past welfare history.[12] We separate less-skilled women into these two groups because the labor market behavior of welfare recipients after welfare reform may be significantly different from those in the past. Their labor market outcomes and record of UI eligibility/receipt may be considered a lower bound for subsequent cohorts. Less-skilled women who have never received welfare may represent an upper bound because their skills are generally superior within this group. Raw differences in UI eligibility and receipt are estimated across the different groups and regression

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[11]The percent receiving UI should equal the percent eligible multiplied by the take-up rate. As indicated earlier, however, nonmonetary eligibility appears to be somewhat understated, leading the rate of eligibility and the predicted rate of UI receipt to be lower than the actual rate.

[12]Because the number of men who receive welfare benefits is so low, we do not separate welfare recipients from others among the pool of less-skilled men. Among women who received welfare, two-thirds of all job separations leading to a period of nonemployment were by those with less-skill. Those job separations occurring among more-skilled female welfare recipients are included in the broader more-skilled sample since they represent such a small fraction of this group.

models that control for other personal characteristics are estimated to examine these differences in a multivariate framework.

Descriptive statistics of the individuals in the NLSY sample broken down by gender and skill-group are reported in Table 1.[13] By definition, more-skilled workers received significantly higher percentile scores on the AFQT and acquired more education. Among the less-skilled women, those who have received some welfare scored somewhat lower on the AFQT and were 10 percentage points more likely to drop out of high school compared to those who never received welfare. These differences support the notion that less-skilled women who have never received welfare may represent an upper bound for the labor market success of former welfare recipients.

Differences across groups are apparent in many other characteristics besides skill. The less-skilled are more likely to be black or Hispanic, to live in a rural location, or in the South, and to be unmarried. Among less-skilled women, those who have received some welfare are much less likely to be married even though they have 50 percent more children on average, indicating that it will be even more difficult for these women to overcome their skills deficiencies and achieve labor market outcomes similar to those of other less-skilled workers. Differences in the family backgrounds are also quite evident across skill/gender groups. More-skilled men and women typically came from households that had higher incomes, less welfare receipt, higher levels of parental education, and more stable families. These differences may capture differences in skill beyond the information provided by AFQT score and level of education.

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[13] A unit of observation in calculating these statistics is an individual, not a job as in much of the remainder of this analysis.

RESULTS

Before proceeding to estimates obtained from the NLSY, we first present Figure 1 that

displays unemployment rates over time for high school dropouts and college graduates. Here we

approximate skill by a more simplistic measure, level of education. Two important conclusions

emerge from this figure. First, unemployment rates among the less-educated are not only higher at

a point in time than those among the more skilled, they are also more cyclically sensitive. Second,

although less-educated workers have always been exposed to a greater risk of unemployment, the

differential has been increasing over time. These patterns serve to provide additional motivation for

our analysis of the NLSY data that will further explore the employment stability of more- and less-

skilled workers and examine their use of the UI system, which may be of growing importance to

them.

Similar patterns are observed using the NLSY data and our definition of high and low skilled

workers, as reported in Figures 2 and 3 for men and women, respectively.[14] Both figures show that

less-skilled workers experience more unemployment at a point-in-time and are more cyclically

sensitive. Determining whether the differential is growing is difficult in these data, however, because

period effects cannot be distinguished from aging effects. The dominant trend is for unemployment

to decline for all workers as they age, and more so for the less-skilled. Without an appropriate

control group to determine what we might expect these aging patterns to be, it is impossible to tell

if the differential between the two groups is changing after adjusting for the age change.

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[14]Unemployment rates for less-skilled women who have received some welfare are much
higher than for other women with a generally downward trend that shows little cyclical variation,
suggesting for these women aging patterns are far more important than economic conditions.

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Because of the difficulties of separately identifying aging and period effects throughout the subsequent analysis, we simply report aggregate statistics for all jobs observed over the entire sample period.[15] We also present statistics for a subsample of jobholders who are 21 years of age and older. Although outcomes for teens may be important for some policy purposes (such as the labor market success of teen welfare mothers), the general importance of the safety net is probably greater for individuals who are older than that.

Table 2 provides estimates of other measures of labor market success for the different groups.[16] As expected based on Figures 1 through 3, we find that more-skilled workers spend roughly 10 to 15 percent more time working than workers with less-skill; those women who have received some welfare spent roughly half as much time in a job as other workers. For men, most of the gap in employment between the more and less-skilled is accounted for by time spent unemployed; for women a gap in unemployment exists, but time spent out of the labor force comprises a far greater share. Separating from jobs is quite common for all of these younger workers, regardless of skill level.[17] Over the 16 year sample period, these workers can all expect to leave roughly 8 jobs (16 multiplied by about 0.5 jobs per year), and about half of those separations do not represent a job-to-job transition. The higher level of unemployment experienced by less-skilled workers does not appear to be attributable to a higher incidence of job separation, but less-time spent on a job and longer

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[15]This approach also reduces the noise visible in many of the year-by-year estimates of many outcomes, like UI take-up rates, that are estimated on relatively small samples.

[16]Again, in this table a unit of observation is an individual, but estimated means are weighted to reflect the number of years an individual appears in the data set.

[17]Anderson and Meyer (1994) also find that workers separate from jobs frequently. Because their analysis is focused on firm characteristics, differences across workers' skill level cannot be determined.

unemployment spell durations between jobs.[18] Overall, this evidence indicates that the employment

patterns of less-skilled workers are considerably more unstable than those held by more-skilled

workers regardless of gender.

Another important conclusion from this table is that less-skilled women who have never

received welfare have labor market experiences that are closer to those of less-skilled men than to

former welfare-recipients. The significant discrepancy among the two groups of women stands in

contrast to the modest differences observed in their levels of skill reported in Table 1. This evidence

provides at least some reason for optimism that, following welfare reform, the labor market outcomes

of former welfare recipients may improve considerably.

For those individuals that separate from jobs and do not move directly into a new one, Table

3 provides estimates of their UI eligibility and receipt.[19] The majority of workers who separate from

a job have a sufficient work history to qualify for UI benefits, particularly among those who are age

21 and over. Except for the group of women who have received some welfare, between 70 and 85

percent of these workers separating from a job would satisfy the monetary eligibility requirements.

Men are slightly more likely to be eligible than women, but not dramatically so.[20] Among the older

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[18]Although both left and right censoring problems exist in estimating mean job length, we report it anyway to get some sense of the differences in job length across groups, recognizing that the exact estimates are likely to be biased.

[19]In this table, a unit of observation is a job separation leading to a period of nonemployment. NLSY sampling weights are used to correct for the oversample on blacks, Hispanics, and low-income individuals so that the resulting statistics are nationally representative of all job separations among workers in this cohort.

[20]Bassi and Chasanov (1997) present evidence indicating that a larger discrepancy exists between men and women in the share of unemployed workers who meet the UI monetary eligibility requirement. Their analysis, however, includes new and reentrants to the labor market who are more likely to be women. Because these individuals will have little or no work history they would be less

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group level of skill matters some, but again the differential is relatively small. More-skilled men are 4 percentage points more likely to be eligible on this dimension; the differential for women with no welfare history is 6 percentage points. The unstable work histories of those with some history of welfare receipt is further reflected by the relatively small share of job separations that would satisfy the monetary eligibility conditions for UI receipt.

In terms of nonmonetary eligibility, our calculations indicate that only a relatively small fraction of job separations leading to nonemployment are caused by a lost job, which is our operational definition of this requirement.[21] Job loss is responsible for no more than 40 percent of all separations. Over the entire age range, men are considerably more likely to satisfy nonmonetary eligibility, meeting the requirement 35-40 percent of the time compared to only about 25 percent for women. Little difference is observed by level of skill. The gender differential could potentially be explained by the difficulties of arranging child care and meeting other family responsibilities that may require more women than men to quit a job.

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likely to meet this requirement. This explains why they obtain lower rates of eligibility and a larger gap between men and women than we report here.

[21]A comparison of the rate of monetary and nonmonetary eligibility conflict with Blank and Card (1991), who find that half of those unemployed in the March Current Population Survey (CPS) from various years are ineligible because of insufficient earnings or weeks worked in the "base period." At least two important differences between our analysis and theirs can explain this discrepancy. First, the March CPS provides work history data only for the past calendar year, a period that does not represent the true base period for anyone unemployed in the middle of March, when the survey is conducted. Blank and Card acknowledge that this will tend to underestimate monetary eligibility, particularly for those who are experiencing a long spell of unemployment. Second, they consider the eligibility status of workers who satisfy the CPS definition of unemployment while we estimate eligibility for all job separations that result in nonemployment, including transitions out of the labor force. These transitions are less likely to be caused by a job loss and would lower the number of individuals meeting nonmonetary eligibility standards in our analysis. The different treatment of movements out of the labor force is consistent with the different focus of the two papers; Blank and Card are interested in the relationship between insured and uninsured unemployment while we concentrate on income maintenance during periods without work.

Overall, these data indicate that relatively few job separations that result in a period of nonemployment satisfy both UI eligibility requirements. Men are twice as likely to qualify than women, but even among men only about 30 percent of job separations would be eligible for compensation. Again, the main contributor to the gap between men and women is the fact that men are much more likely to meet the nonmonetary eligibility requirement.

Moreover, the rate of UI receipt for these workers is even lower than the rate of UI eligibility because only a minority of eligible job separators claim their UI benefits. The "take-up rate" of UI among the relatively few workers who separate from a job and are eligible for UI is only 20 to 30 percent.[22] Men and women are roughly equally likely to take-up benefits. The fact that UI eligibility and take-up are so low explains why only roughly 10 percent of all workers who experience a job separation that leads to a spell of nonemployment collect UI benefits.

Table 4 presents estimates of the determinants of UI eligibility, take-up, and receipt as a function of skill/gender classification and personal characteristics.[23] Including these personal

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[22]Such low take-up rates for younger workers is consistent with evidence presented by Vroman (1991) and McCall (1995).

[23]We have also experimented with including UI program parameters in these regressions, like the weekly benefit amount and the maximum duration of benefits. We found results consistent with past work regarding the responsiveness of take-up rates to changes in benefit levels (Anderson and Meyer, 1997; and McCall, 1995). We have chosen not to report these specifications, however. Our goal in this paper is to present a descriptive analysis regarding differences in the eligibility and receipt of UI across skill/gender groups, not to identify behavioral responses to program parameters. Including these variables makes it difficult to identify differences across groups because they are functions of individual characteristics. For instance, UI benefit levels are determined by wage levels which is highly correlated with level of skill. Including both covariates in the regression complicates comparisons across skill groups. Moreover, outcomes like monetary eligibility are determined by employment/earnings in the base period in much the same way as the maximum duration of benefits, so including the maximum duration in a regression of monetary eligibility amounts to regressing one variable on a nonlinear function of itself.

characteristics has little effect on the patterns of differences in UI outcomes reported in Table 3.[24]

Results indicate that the observed differences across the five skill/gender groups are generally statistically significant. A very strong age profile is also observed. For instance, between the ages of 18 and 21 a worker becomes 10 percent more likely to meet the monetary eligibility conditions and 6 percent more likely to actually receive benefits. Black workers are less likely to meet monetary eligibility conditions and to take-up their benefits, but Hispanics are actually somewhat more likely to qualify for benefits, ceteris paribus. The effect of family status on eligibility strongly depends on a worker's gender. For instance, married women are significantly less likely to meet nonmonetary eligibility requirements whereas married men are significantly more likely to satisfy these conditions.

For those workers who are eligible for UI, Table 5 estimates the generosity of UI benefits compared to those available from the welfare system.[25] The generosity of UI is measured both in terms of the weekly benefit available to an eligible job separator and the length of time that s/he can receive benefits. Because relatively few of the workers separating from jobs are eligible for UI, the

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[24]We also tested the sensitivity of our findings to including the array of family background characteristics included in Table 1. These variables may capture other dimensions of skill that are imperfectly measured by our definition that is based on the AFQT and level of education. Parameter estimates from these regressions indicate that these variables are generally not significantly different from zero and do not have much effect on the coefficients estimated and reported in Table 4, so we do not report them here.

[25]For the purposes of this paper, welfare is defined as cash transfers only. Although Food Stamps are an important contributor to the safety net, this program is not categorical so individuals receiving cash transfers from both TANF and UI would be eligible so long as their income was low enough. Another crucial component of the safety net, Medicaid, has been undergoing dramatic changes in the past decade or so and characterizing its generosity for UI and TANF recipients is beyond the scope of this paper. To estimate welfare benefit generosity, the maximum weekly benefit for a family of three is assigned to each UI eligible job separation based on the state and year in which the separation began. All reported means are weighted by the NLSY sampling weight to provide nationally representative statistics for job separations for this birth cohort.

sample size within each state is relatively small, particularly once the separations are classified by gender and level of skill. Nevertheless we present statistics for the 10 largest states to provide an indication of the interstate variation, recognizing that they contain a considerable degree of noise. Estimates for workers in all states are provided as well.

Although average weekly benefit levels vary considerably across states, the more-skilled generally are eligible for greater benefits than the less-skilled and women are eligible for less than men. Although nationally, more-skilled men are eligible for $16 dollars more per week than less-skilled men, they are eligible for $36 more than more-skilled women. The gender gap in average benefits is directly related to the wage gap between men and women, as shown in Table 2, because all states pay benefits in proportion to wages up to a maximum amount.

What is perhaps more surprising is that the gap in benefits between skill groups is so small given the discrepancy in their wages, also reported in Table 2. The reason for this is that UI eligible workers are not a random sample of more and less-skilled workers. Among the less-skilled, those workers who lose their jobs and are eligible for UI benefits are positively selected, earning higher wages than the typical less-skilled worker. Among the more-skilled, those who meet the UI eligibility requirements after a job separation are negatively selected. Figures 4 and 5 display wage distributions for all workers and those eligible for UI by level of skill, providing evidence of these selection patterns. In the end, the wage distribution of those who separate from a job and are eligible for UI is compressed compared to the overall distribution. The fact that benefits are capped truncates the distribution of benefits even further, narrowing the difference in benefit levels between those with more and less skill.

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The length of time that UI benefits can be received also varies somewhat across states and skill-groups. Although comparisons within individual states are somewhat erratic, across the country as a whole more skilled workers are eligible to collect benefits for one-half to three-quarters of a week longer than less-skilled workers and men have a slight advantage over women. Differences across states are more dramatic: UI is available for roughly eight more weeks in Pennsylvania compared to Florida.

Since those categorically eligible for welfare benefits may be able to alter their behavior to receive income assistance from the welfare system or the UI system if they work enough to qualify, the relative generosity of the two systems may be important. This comparison may become even more important in the era of time-limited welfare benefits if welfare reform leads some potential welfare recipients to obtain work at least temporarily. Our findings indicate that welfare payments under the old AFDC system are generally not as generous as those from UI, but that is not true in all states. More liberal states that provide higher welfare benefits, like California and New York, have historically offered higher welfare benefits to those who do not work compared to UI benefits to those less-skilled workers who do, but lose their jobs. For the nation as a whole, however, UI benefits are somewhat higher.

On the other hand, maximum benefit duration for UI is considerably shorter than that for welfare even in an era of time limited benefits. Welfare reform requires states to establish no more than a five year lifetime limit on benefits, but states have the option of choosing as low as a two year limit. UI benefits, in contrast, generally are only available for roughly six months at a time, although there is no lifetime limit. Therefore, for those who leave welfare for work, UI paid during short periods of unemployment following a job loss is likely to provide greater income support than falling

back onto the welfare system. For those experiencing longer unemployment spells, however, individuals may need to collect UI first and then apply for welfare benefits.

CYCLICAL PATTERNS

Results reported so far have examined UI eligibility and receipt among all workers in the NLSY data that separate from a job and experience a period without work, regardless of business cycle conditions. Differences in the state of the labor market at the time of separation may have important effects on these outcomes, however. For instance, workers may be less likely to meet monetary eligibility conditions during a recession if employment spells become shorter, but may be more likely to satisfy nonmonetary eligibility if the likelihood of quitting a job is inversely related to the availability of alternative employment. Moreover, these effects may differ across gender/skill groups. In this section we estimate the sensitivity of each UI outcome to the state of the labor market separately for each category of worker.

Table 6 reports the results of this analysis. Each cell in this table provides estimates of the coefficient on the local area unemployment rate in the year of a job separation in probit models comparable to those in Table 4, except that these are estimated separately by gender/skill group. As hypothesized, an increase in unemployment reduces monetary eligibility, but increases nonmonetary eligibility. None of these effects are particularly large, however, and are mainly offsetting. A one percentage point increase in the unemployment rate reduces monetary eligibility by 1 to 2 percentage points, but increases nonmonetary eligibility by a similar amount. Considering both conditions for UI eligibility, only men experience a statistically significant change in eligibility, meeting these criteria

one percentage point more of the time in response to a one percentage point increase in the unemployment rate (the difference between all men and all women is also statistically significant).

Incorporating the take-up decision, we find that UI receipt among men and more-skilled workers is statistically significantly more responsive than that for women and less-skilled workers, respectively, although the degree of responsiveness is small here as well.[26] Among the two groups of less-skilled women that provide the upper and lower bounds used for predicting the UI experiences of those leaving the welfare rolls in the future, these results indicate that an unemployment spell is no more likely to be compensated by UI during a recession than during an expansion.

POLICY APPLICATION: THE ALTERNATIVE BASE PERIOD

Monetary eligibility for UI is determined by the amount an individual worked and earned in his/her base period, which is defined as the one-year window beginning five calendar quarters before benefits were requested. This window ends at least one full quarter before a UI claim is filed because, historically, obtaining and processing the wage records necessary to determine whether a claimant is eligible took some time. For a worker continuously employed up to the date of separation, this system effectively added an additional three or more months of work necessary to qualify for benefits.[27]

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[26]Of course, for all groups of workers the fact that the number of separations increases during a recession leads to greater numbers of UI recipients even though the probability of receipt conditional upon a separation may not change much.

[27]Alternatively, a worker whose work history would satisfy the monetary eligibility standards in the preceding four quarters, but not the first four of the last five quarters, could wait one quarter before applying for benefits so that the window incorporated the more recent employment.

With modern data processing technology, this constraint is less-severe now and some have called for an alternative base period (ABP) to be introduced by states (ACUC, 1995).[28] Under this system, individuals who do not satisfy the monetary eligibility requirements using the standard base period could still qualify for benefits if their earnings and employment satisfy the same conditions using the last four calendar quarters as the base period. Such a system could provide greater access to the system for less-skilled workers, the ACUC argued, because their lower wages makes it more difficult for them to qualify for UI using the traditional base period.

To examine its impact on UI eligibility, we identified a sample of job separators who did not meet the monetary eligibility standards in their state and estimated their UI eligibility under the ABP. The results of this analysis are reported in Table 7. Results indicate that roughly one quarter of those who do not satisfy monetary eligibility under the traditional definition of the base period will do so under the ABP; men are slightly more likely to benefit from the ABP.[29] The share of less-skilled job separators who do not satisfy traditional monetary eligibility requirements, but will qualify for benefits under the ABP is virtually identical to that for those with more skill. However, the impact of the ABP will be significantly dampened by the fact that nonmonetary eligibility rules still need to be met, regardless of the window in which work histories are observed. As in the entire population of job separators, only about 25 to 40 percent entered nonemployment because of a job loss. Therefore,

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[28] A 1994 U.S. Court of Appeals (7th Circuit) decision in the case of Pennington v. Didrickson threatened to make the ABP mandatory nationwide. Legislation was enacted in 1998 that made the Pennington decision moot and the decision to introduce an ABP remains in the hands of the states.

[29] In an investigation of the ABP in the few states that have already adopted it, Vroman (1995) uses administrative data from these states' UI system and finds that it "raises the number of monetarily eligible claimants by 6 to 8 percent." Although the universe in our analysis is job separators and not UI claimants, we find that the number of monetarily eligible job separators would increase by 6.5 percent and 5.7 percent for workers of all ages and workers age 21 and over, respectively.

the ABP may still only provide benefits to an additional 10 percent of those workers deemed ineligible according to traditional methods of calculating eligibility. The share who actually collect benefits could even be significantly smaller than that depending upon the take-up rate among these individuals.

CONCLUSIONS

Workers who experience periods without work are generally not provided income support by the UI system regardless of the condition of the economy. Even during a recession, few additional workers who separate from their jobs will go on to collect UI, particularly so for less-skilled women who are most likely to be affected by welfare reform. Only a small fraction of all workers who separate from a job and do not move directly into a new one receive UI benefits because most of them are not eligible. A large share of those who fail to qualify for benefits do so because they do not satisfy the nonmonetary eligibility requirements that a job separation must be involuntary; the majority of workers who separate from a job do satisfy monetary eligibility, which requires a sufficient work history to qualify for benefits.

Less-skilled workers are more likely to need the support because of lower incomes and more time spent out of work. Although their likelihood of meeting UI eligibility requirements and receiving benefits is quite low, it is only somewhat lower than that for more-skilled workers. The group that has the most difficulty qualifying for and receiving benefits is women, largely because they are less likely to satisfy the nonmonetary eligibility requirements, quitting jobs more often than men. Even among women, however, those with less-skill are only somewhat less likely to qualify for and receive benefits. As far as UI filling in part of the safety net in the aftermath of welfare reform, regardless

of whether we consider former welfare recipients as the lower bound or those who have never received welfare as the upper bound, the UI system offers relatively little support.

The reason that UI performs relatively poorly as an income support system is that it was not designed to satisfy that function. It is largely based on insurance principles. Moral hazard concerns prevent a system with this function from providing benefits to workers who quit their jobs except those that take place for good cause. Even then, determining good cause can be administratively burdensome, leading to such exemptions only under easier to identify, but relatively rare, circumstances.

For these reasons, those workers who leave welfare to move into the labor market will generally find that periods without work will not be compensated by UI. For those relatively few who enter jobs and only leave them when they are laid off or let go due to slack demand, they will be likely to satisfy the monetary eligibility requirements and receive short-term benefits that are usually, but not always, more generous than those available from welfare. These workers will be able to extend their effective lifetime limit of welfare receipt by using UI as an income supplement during periods without work. However, for the vast majority who may find employment, but then leave because of child care or transportation problems, disagreements with their supervisor, and the like, the UI system will not be there to provide additional support to the safety net.

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Table 1: Mean Characteristics of Individuals in NLSY Sample, by Gender and Skill Level

| | MEN | | | WOMEN | |
CHARACTERISTICS	Less-Skilled	More-Skilled	Less-Skilled, Some Welfare	Less-Skilled, No Welfare	More-Skilled
MEASURES OF SKILL					
AFQT Percentile Score	27.4	68.8	24.4	28.9	65.4
% High School Dropout	71.3	0	71.5	61.8	0
% High School Graduate	22.4	42.3	22.0	28.1	39.6
% Some College	5.5	25.4	6.2	8.5	29.2
% College Graduate	0.8	32.3	0.3	1.5	31.2
PERSONAL CHARACTERISTICS					
Age in 1994	32.7	32.7	32.8	33.2	32.7
Number of Children in 1994	0.9	0.9	2.2	1.5	1.3
% Married in 1994	46.0	63.8	35.5	60.5	67.1
% Black	27.3	8.8	40.1	21.7	9.7
% Hispanic	10.6	4.4	11.4	12.6	4.4
% Rural Residence	23.4	20.6	23.3	26.5	21.2
% Residing in South	43.4	29.8	41.3	51.6	34.2
FAMILY BACKGROUND					
Mother Received AFDC in 1979	13.9	3.6	9.1	9.0	3.8
Family Income in 1979	29,968	48,965	23,841	31,209	46,348
Mother's Education, in years	10.1	12.2	9.7	9.7	12.1
Father's Education, in years	9.7	12.7	9.3	9.7	12.3
% Mother Only Family at Age 14	17.6	9.6	24.8	15.0	10.9
% Born to Teen Mother	11.7	5.5	12.3	7.9	4.7
SAMPLE SIZE	2,164	3,774	887	919	4,108

Notes: All means are weighted by the NLSY sampling weights to provide nationally representative statistics. Means for family background characteristics are estimated from all nonmissing observations.

Table 2: Labor Market Outcomes of Individuals, by Skill Level

| | MEN | | | WOMEN | |
OUTCOME	Less-Skilled	More-Skilled	Less-Skilled, Some Welfare	Less-Skilled, No Welfare	More-Skilled
	ALL WORKERS				
Fraction of Period Employed	69.7	77.4	34.1	57.2	71.0
Fraction of Period Unemployed	11.6	5.0	9.8	6.5	4.2
Fraction of Period Out of Labor Force	17.9	16.8	55.8	35.7	24.2
Hours Worked Per Week When Employed	41.1	40.9	34.9	36.0	34.7
Median Annual Earnings	12,307	18,603	64	5,282	10,995
Median Hourly Wage	8.00	10.33	5.58	6.42	8.10
Number of Job Separations per Year	0.54	0.50	0.40	0.43	0.49
Number of Job Separations Leading to Nonemployment Year	0.28	0.23	0.29	0.26	0.25
Median Length of Jobs Held (in weeks)	20	31	16	19	33
	WORKERS AGE 21 AND OVER				
Fraction of Period Employed	74.5	82.8	36.9	60.5	74.8
Fraction of Period Unemployed	10.2	4.3	9.1	5.4	3.4
Fraction of Period Out of Labor Force	14.9	12.4	53.8	33.7	21.4
Hours Worked Per Week When Employed	41.9	42.6	35.2	36.6	36.0
Median Annual Earnings	14,350	23,028	51	6,743	13,952
Median Hourly Wage	8.37	11.28	5.67	6.60	8.80
Number of Job Separations per Year	0.37	0.32	0.28	0.30	0.32
Number of Job Separations Leading to Nonemployment Year	0.18	0.13	0.20	0.18	0.15
Median Length of Jobs Held (in weeks)	30	40	21	33	42

Notes: All outcomes represent means except where noted. Population weights are used so that estimates are nationally representative for this birth cohort.

Table 3: Levels of UI Eligibility, Take-up, and Receipt by Skill Level and Gender

	# of Job Separations Leading to Period of Nonemployment	Percent Meeting Monetary Eligibility	Percent Meeting Non-Monetary Eligibility	Percent Meeting Both Monetary and Non-Monetary Eligibility	Take-Up Rate among UI Eligibles	Percent Receiving UI
			ALL WORKERS			
All	43,913	73.3	30.5	22.0	28.0	8.6
Less-Skilled Men	11,956	71.1	36.0	26.3	25.1	9.0
More-Skilled Men	10,353	80.7	37.4	30.9	30.6	12.0
Less-Skilled Women, Some Welfare	4,213	54.1	23.7	11.7	22.2	4.9
Less-Skilled Women, No Welfare	4,967	63.7	22.4	13.2	27.4	5.5
More-Skilled Women	12,424	75.6	24.9	16.8	27.9	7.2
			WORKERS AGE 21 AND OVER			
All	28,981	78.2	31.3	23.9	29.5	10.4
Less-Skilled Men	6,704	80.2	40.1	32.2	27.3	12.7
More-Skilled Men	7,616	84.3	37.9	32.4	31.8	13.3
Less-Skilled Women, Some Welfare	2,869	56.4	24.9	12.6	24.0	6.1
Less-Skilled Women, No Welfare	2,494	72.4	23.3	15.7	30.0	8.5
More-Skilled Women	9,298	78.1	24.3	17.1	28.9	8.0

Notes: Nonmonetary eligibility is defined here as a separation caused by job loss. All rates are measured as the share of job separations that result in a period of nonemployment except for the UI take-up rate, which is estimated based on the number of workers eligible for UI. Population weights are used so that estimates are nationally representative of these job separations for this birth cohort. Number of observations used to calculate monetary eligibility are lower because a number of individuals fail to report either their hourly wage or their hours worked.

Table 4: Determinants of UI Eligibility, Take-up, and Receipt
(derivatives multiplied by 100, standard errors in parentheses)

CHARACTERISTICS	Monetary Eligibility	Non-Monetary Eligibility	Both Monetary and Nonmonetary Eligibility	Take-Up Rate among UI Eligibles	UI Receipt, All Job Separations
Less-Skilled Man	-5.07	-1.00	-2.41	-2.78	-1.03
	(1.23)	(0.98)	(0.93)	(2.12)	(0.55)
Less-Skilled Woman, Some Welfare	-12.9	-11.45	-12.07	-3.84	-3.56
	(1.93)	(1.27)	(1.01)	(3.76)	(0.61)
Less-Skilled Woman, No Welfare	-5.50	-10.70	-9.79	-0.16	-1.79
	(1.67)	(1.16)	(1.06)	(3.53)	(0.68)
More-Skilled Woman	-0.75	-9.64	-8.95	-0.54	-2.61
	(1.23)	(0.97)	(0.93)	(2.34)	(0.53)
Age	10.19	1.84	4.46	18.08	7.67
	(0.75)	(0.73)	(0.71)	(1.94)	(0.49)
Age Squared	-0.16	-0.03	-0.07	-0.38	-0.15
	(0.02)	(0.01)	(0.01)	(0.04)	(0.01)
Black	-8.30	1.25	-0.81	-5.11	-0.29
	(0.94)	(0.82)	(0.78)	(1.82)	(0.46)
Hispanic	2.54	3.98	5.23	-2.79	0.68
	(0.97)	(1.04)	(1.00)	(1.94)	(0.56)
Number of Children* Male	0.29	0.83	0.86	0.71	0.38
	(1.04)	(0.76)	(0.65)	(1.38)	(0.41)
Number of Children*Female	-7.91	1.04	-1.80	0.58	-0.39
	(0.54)	(0.56)	(0.53)	(1.58)	(0.34)
Married*Male	6.86	5.53	5.55	12.99	7.71
	(1.64)	(1.60)	(1.49)	(2.80)	(1.17)
Married*Female	-0.50	-5.95	-4.98	7.29	0.29
	(1.15)	(1.03)	(0.99)	(3.34)	(0.67)
Rural Residence	-5.81	5.08	2.67	6.49	1.93
	(1.03)	(0.86)	(0.88)	(1.94)	(0.53)
Residing in South	5.87	-5.98	-2.90	-5.73	-3.05
	(0.80)	(0.72)	(0.71)	(1.70)	(0.39)

Notes:

*Reported estimates are derivatives from a probit model. Standard errors, corrected for the fact that multiple observations are available for many individuals, are reported in parentheses. Estimates for both measures of eligibility and UI receipt are obtained from the sample of job separations that result in a period of nonemployment and employ population weights so that estimates are nationally representative of these job separations for this birth cohort.

Table 5: Estimated Weekly UI Benefit Levels (in 1994 dollars) and Maximum Duration of Benefits among Eligible Job Separators
and Maximum AFDC benefits for a Family of Three in the Ten Largest States and in All States

State	Number of Obs.	MEN		WOMEN			MEN		WOMEN			WEEKLY MAXIMUM AFDC BENEFIT FOR A FAMILY OF THREE
		Less-Skilled	More-Skilled	Less-Skilled, Some Welfare	Less-Skilled, No Welfare	More-Skilled	Less-Skilled	More-Skilled	Less-Skilled, Some Welfare	Less-Skilled, No Welfare	More-Skilled	
		WEEKLY UI BENEFIT					MAXIMUM DURATION OF BENEFITS					
California	1,008	144	163	126	126	143	24.1	25.1	23.6	23.4	24.7	181
Texas	573	174	201	118	128	144	20.8	21.7	19.2	18.7	20.2	50
New York	423	165	178	93	141	145	26	26	26	26	26	153
Florida	281	145	175	111	113	133	18.8	20.1	18.2	22.0	20.4	77
Pennsylvania	227	186	203	124	124	140	26.8	27.6	27.7	27.3	26.6	110
Illinois	175	177	199	163	135	164	26	26	26	26	26	103
Ohio	322	165	175	148	138	124	26	26	26	26	26	93
Michigan	233	190	195	143	70	147	24.3	24.7	22.1	23.9	25.1	138
New Jersey	209	210	232	179	180	178	24.6	24.0	24.3	24.8	24.6	123
Georgia	261	135	135	100	110	124	18.6	18.0	20.9	17.7	18.5	71
Average Over All States	6,886	162	178	127	131	142	23.5	24.1	22.3	23.1	23.9	114

Notes: Weekly maximum AFDC benefits are calculated as (1/4.33)*reported monthly maximum benefit. The average for all 50 states and the District of Columbia is weighted by the number of job separations leading to a period of nonemployment in each state. Estimates of weekly UI benefits use population weights so that they are nationally representative of these job separations for this birth cohort.

Table 6: Responsiveness of UI Eligibility, Take-up, and Receipt to the Business Cycle

CHARACTERISTICS	Monetary Eligibility	Non-Monetary Eligibility	Both Monetary and Nonmonetary Eligibility	Take-Up Rate among UI Eligibles	UI Receipt, All Job Separations
Less-Skilled Men	-1.55	1.80	0.78	1.07	0.40
	(0.23)	(0.20)	(0.22)	(0.41)	(0.10)
More-Skilled Man	-0.77	1.43	0.96	1.69	1.08
	(0.18)	(0.22)	(0.23)	(0.40)	(0.13)
Less-Skilled Woman, Some Welfare	-1.42	1.43	0.33	0.07	0.15
	(0.41)	(0.30)	(0.29)	(0.94)	(0.13)
Less-Skilled Woman, No Welfare	-1.46	0.67	0.12	-0.25	0.06
	(0.41)	(0.27)	(0.25)	(0.90)	(0.12)
More-Skilled Woman	-1.03	0.76	0.32	1.50	0.44
	(0.19)	(0.17)	(0.17)	(0.48)	(0.09)

Notes:

*Reported estimates are derivatives from a probit model. Standard errors, corrected for the fact that multiple observations are available for many individuals, are reported in parentheses. Each entry represents the coefficient on the local area unemployment rate in the year of job separation in a separate regression that also includes all of the covariates listed in Table 4.

Table 7: Effect of Alternative Base Period on UI Monetary Eligibility

	# of Job Separations That Do Not Meet Monetary Eligibility With Traditional Base Period	Percent Meeting Monetary Eligibility under Alternative Base Period	Percent Meeting Nonmonetary Eligibility	Percent Meeting Both Non-Monetary and Monetary Eligibility
	ALL WORKERS			
All	9,580	23.4	33.4	7.0
Less-Skilled Men	2,630	25.2	37.8	9.6
More-Skilled Men	1,581	25.2	40.3	9.8
Less-Skilled Women, Some Welfare	1,599	21.8	27.0	4.1
Less-Skilled Women, No Welfare	1,366	21.3	24.4	3.5
More-Skilled Women	2,404	22.6	32.1	6.1
	WORKERS AGE 21 AND OVER			
All	5,613	24.4	35.3	7.7
Less-Skilled Men	1,174	28.6	43.1	12.7
More-Skilled Men	1,012	26.8	42.7	9.6
Less-Skilled Women, Some Welfare	1,108	23.2	28.2	4.9
Less-Skilled Women, No Welfare	625	23.1	27.3	4.9
More-Skilled Women	1,694	22.0	32.7	6.4

Notes: See notes to Table 3.