

**THE SURVEY OF INCOME AND
PROGRAM PARTICIPATION**

**TRANSITIONS IN AND OUT OF
POVERTY: NEW DATA FROM THE
SURVEY OF INCOME AND PROGRAM
PARTICIPATION**

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Survey of Income and Program Participation

Transitions In and Out of Poverty:
New Data from the Survey of
Income and Program Participation

by

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INTRODUCTION

Factors associated with the onset of poverty spells and with exits from poverty have long been a major topic of interest to policy makers and analysts alike. From a policy perspective, information on the events likely to be associated with major changes in income is clearly helpful in designing anti-poverty initiatives. Further, a better understanding of the relative importance of various possible causes of poverty is potentially useful in improving the targeting of existing income assistance programs. And finally, if program participants and other members of the poverty population are to be encouraged to leave poverty and become self-sufficient, data on the major factors associated with exits from poverty may help us to assess the potential for success of alternative anti-poverty strategies.

Unfortunately, until recently it has been difficult to study specific transitions in and out of poverty in any detail. We have only a few major databases that provide information on individuals' incomes over a period of time, thereby allowing those who are newly poor or newly escaped from poverty to be distinguished from the rest of the poor or non-poor populations. The few longitudinal databases that exist, such as the Panel Study of Income Dynamics (PSID) and the National Longitudinal Survey (NLS), have typically provided information on annual income only, making it possible to identify only the year in which major income transitions occurred. Associating these annual income changes with specific events that occurred at some point during the year can be very difficult, since the event and the income change may actually have taken place at very different points in time and may not be causally related. Further, many income changes may be missed in such annual data, either because they

result in a poverty spell lasting less than a year or because they occur late enough in the year so that total annual income for that year does not fall below the poverty level. Finally, to the extent that income transitions and changes in household composition occur simultaneously, it can be difficult to identify the specific household members whose income is being reported for the year as a whole, as opposed to those whose income is included for only part of the year or possibly not at all. These problems can also make it difficult to identify newly poor or newly non-poor individuals and households.

Data that have recently become available from the Census Bureau's new Survey of Income and Program Participation (SIPP) allow us to avoid many of these problems in examining income transitions. The SIPP is a longitudinal panel survey that traces specific individuals over a period of more than two years. Interviews are conducted every four months, and information on income and family composition is collected on a month by month basis. Because data are collected on shorter intervals than in other longitudinal surveys, the specific points at which income transitions occur can be more precisely identified, and these transitions can be more closely matched with any associated changes in the composition of the household or in the employment status of household members.

This paper uses data from the SIPP to examine transitions into and out of poverty. The focus of the paper is on six specific demographic and employment-related events, and their association with becoming poor or leaving poverty. The events considered are the entrance of a new baby into the family, a death in the family,¹ a marriage, a separation or divorce, the unemployment of a family member, and the entrance into employment of a family member.² In all cases, the event has been considered in relation to the income status of all persons who were in the family in the month in

which the event occurred, and poverty statistics have all been calculated at the family level.

To assess the effects of these events on poverty transitions, their incidence among both the poor and non-poor populations is compared with that for the newly poor and the newly non-poor. The probability of becoming poor (or of becoming non-poor) if one is in a family where such an event occurs is then calculated for each of the events under investigation.

Examination of the relationship between these events and poverty transitions for the population as a whole is followed by similar analysis for people in four specific types of families. These family types are female-headed families, families headed by males or by married couples, families with elderly members (aged 65 and over), and families with no elderly members. Within each demographic group, both the overall incidence of each event and its association with changes in poverty status are investigated.

Although the overall aim of this paper is to examine the relationship between the various life events considered and transitions in and out of poverty, it should be noted that the data presented are primarily descriptive in nature, and do not imply a strict causative model of entry into or exit from poverty. Clearly, assessing the relationships between these events and poverty transitions in detail would require simultaneously taking into account the possible income effects of a wide array of other variables. In addition, we have by no means considered all possible event that could potentially affect income transitions. The data presented here are preliminary only, and represent a first attempt to identify some of variables that may be important in explaining poverty transitions. Nevertheless, we believe that the results outlined below are highly suggestive, and point to some additional topics that deserve further investigation.

Before turning to those results, the next section of this paper briefly describes the specific SIPP sample used for this study, and presents some summary data on poverty rates and poverty transitions calculated from the SIPP. The third section of the paper provides data on the association of our six life events with poverty transitions for the poor and non-poor populations as a whole. The impacts of these events for those in the specific demographic groups outlined above are considered in section four, and the final section presents our conclusions and suggestions for further research.

I. Poverty Rates and Poverty Transitions as Measured in the SIPP

The estimates presented in this paper are based on data taken from the first five waves, or sets of interviews, of the SIPP. These data cover the 16 months from September 1983 through December 1984. Because data from each wave were released separately by the Census Bureau, individual records from each of the five waves had to be linked together to create files that spanned the entire 16 month period. There are records for approximately 60,000 individuals included in this linked file, although only about two-thirds of these people were in the SIPP sample in every month. Individuals have been assigned a zero weight for months in which they were not in the sample, cross-sectional weights assigned by the Census Bureau have been used in computing month by month statistics on income and demographic events. Data for about 50,000 individuals are available on average in any given month (specific counts for each month are shown in appendix table A.1).

One potential problem with using a file consisting of linked wave records involves continuity of the data across waves. In processing the raw SIPP data for release as public use samples, the Bureau of the Census performed a wide range of editing and imputation activities to ensure that

Table 4

Percentage of Persons in Families
with Occurrences of a Major Life Event
Who Experience a Change in Poverty Status,
by Female Headship

Event	Total Number of Persons with Event (in Thousands)	Persons with Event Who Become Poor This Month	Persons with Event Who Leave Poverty This Month
-------	---	---	---

Persons in Female-Headed Families With:

New Baby	253	24.6	1.7
Death	17	—	—
Marriage	20	13.3	3.8
Marital Break-up	282	30.6	1.7
Job Loss	1,826	26.3	0.8
Job Gain	2,067	2.5	23.5

Persons in All Other Families With:

New Baby	1005	9.9	1.2
Death	125	1.3	0.8
Marriage	423	6.1	14.2
Marital Break-up	165	10.1	3.2
Job Loss	10,078	14.9	1.0
Job Gain	11,125	1.1	14.8

Source: Calculated from the Survey of Income and Program Participation. Figures shown are averages for the months Sept. 1983 through Dec. 1984. See text for definitions of events and populations shown.

number of different reasons, some of which may have relatively short term impacts. For example, in one-earner households that experience a divorce, the earner is most likely to have been the husband, and his departure may substantially reduce family income for a month or two until the woman finds a job and/or arrangements for child support or alimony payments are made. (Of course, in some cases of this type the spell of poverty will last substantially longer—for example, if the woman cannot earn a enough to raise the family income above the poverty level, and her ex-spouse does not provide support payments sufficient to make up the difference.)

Although marital break-ups are somewhat more likely than job losses to be associated with entries into poverty for female-headed families who experience each of these events, job losses are still much more common and account for a much larger share of all poverty entries for this subgroup. While members of female-headed families are actually somewhat less likely than the rest of the population to experience a job loss—they make up 20 percent of the total population but account for only about 15 percent of all job losses in an average month.¹³ Those that do experience such a loss are much more likely to become poor than are those in non-female-headed families in the same circumstances. About one-fourth of those in female-headed families enter poverty in this situation, compared to about 15 percent of those in other families. This difference probably stems in part from female-headed families being less likely than other families to have a second earner, and in part from their generally lower incomes from other sources.

The arrival of a new baby is also more likely to result in an entry into poverty for female-headed families than for other families—almost one-fourth of those in female-headed families with a new baby become poor, compared to one-tenth of those in other families, even though the overall

likelihood of a birth is about the same for both groups. Finally, even events not generally associated with becoming poor appear to be relatively likely to result in entrances into poverty for those in female-headed families. For example, 13 percent of those in female-headed families experiencing a marriage entered poverty in the same month. This apparently anomalous—and rare—result stems from the fact that such marriages cannot involve the family head and may thus add to needs without adding to resources.¹⁴

Although female-headed families are more likely to enter poverty when suffering an adverse event, they are not in general more likely to leave poverty with a favorable event. The exception is job gains—more than 23 percent of those in female-headed families who find jobs leave poverty as a result, while only about 15 percent of those in other families do so. (Of course, female-headed families are much more likely to have been poor in the first place, and so have a greater opportunity to leave poverty under these circumstances.)

Unfortunately, the figures shown in Table 4 do not really indicate how many female-headed families leave poverty as the result of marriage, since as discussed above those who marry are in general no longer in female-headed families. In our future work on this topic, we hope to examine the impacts of marriage on those who were in female-headed families in the month before the marriage.

Families with Elderly Members. Families with elderly members account for about 16 percent of the population as a whole, but for a significantly smaller proportion of all events except deaths. Further, as Table 5 shows, those events that do occur are much less likely to move such families into or out of poverty (again with the exception of deaths). Job losses and gains are still the most likely events, even for families with elderly, but

only about 10 percent of those with such losses or gains enter or exit from poverty (as appropriate) in the same month, compared to about 17 percent of those in families without elderly. Marital break-ups (which include widowhood) are more likely to result in poverty for the elderly, with 19 percent of those experiencing such break-ups becoming poor. The absolute numbers of these break-ups are relatively small, however.

Although families with elderly members experiencing a death are more likely to enter poverty than those without a death, the proportion who do so is still very small—only about one and one-half percent. As discussed earlier, we suspect that there may be some problems with the coding of the variable indicating deaths, however, which is currently unedited. Among families with elderly members, a substantially larger proportion—over 4 percent—of those becoming poor in a given month were in families that experienced a death in either the current or immediately previous month. This was virtually the only case in which including those with the event in the previous month as well as those experiencing it in the current month increased the proportion becoming poor. In this case, it probably reflects the fact that income may be recorded for family members even in the month in which they die, so the full impacts of many deaths may not be felt until the next month.

Overall, the only event associated with leaving poverty for families with elderly members was employment. Although over 10 percent of those in families with elderly which included a job gainer left poverty in the same month, members of such families were only about half as likely to be job gainers as were those in families with no elderly. Overall, the data shown in Table 5 confirm the view that, although the elderly are somewhat less likely to enter poverty as the result of the types of events discussed in this paper, once they become poor they are much more likely to remain that way.

Table 5

Percentage of Persons in Families
with Occurrences of a Major Life Event
Who Experience a Change in Poverty Status,
by Presence of an Elderly Person in the Family

Event	Total Number of Persons with Event (in Thousands)	Persons with Event Who Become Poor This Month	Persons with Event Who Leave Poverty This Month
Families with Elderly with:			
New Baby	24	6.7	0.2
Death	86	1.4	—
Marriage	11	3.3	3.7
Marital Break-up	63	19.4	—
Job Loss	1,083	10.1	0.7
Job Gain	1,057	0.3	10.5
Families with No Elderly with:			
New Baby	1,234	13.0	1.3
Death	56	0.7	1.7
Marriage	432	6.5	14.0
Marital Break-up	384	23.6	2.6
Job Loss	10,821	17.3	1.0
Job Gain	12,135	1.4	16.7

Source: Calculated from the Survey of Income and Program Participation. Figures shown are averages for the months Sept. 1983 through Dec. 1984. See text for definitions of events and populations shown.

Conclusion

In conclusion, this paper has found significant correlations between the life events examined and transitions into and out of poverty. Overall, about half of the transitions observed occur in the same month as one of the six events examined. Job losses and job gains account for the vast majority of these transition-related events, but this is largely because such events are much more common, both among those making transitions and among those remaining in the same poverty status, than are the demographic events considered.

Certain demographic events are also very likely to be associated with poverty transitions. Perhaps most notably, 23 percent of those experiencing a marital break-up, and 13 percent of those in families with a new baby, become poor in the month in which the event occurred. By comparison, a job loss is associated with entry into poverty for about 17 percent of those in families with such losses. Job gains and marriages account for almost the same percentage of exits from poverty—16 percent and 14 percent, respectively—for those whose families experience them.

Although our findings so far indicate a strong association between experiencing one of these events and entering or leaving poverty, we believe that much further research in this area could fruitfully be done. For example, we have yet to explore the duration of poverty spells, and its association with specific entry and exit events. Further, it would be interesting to examine more closely those who experience important events and do not have a change in poverty status in the same month—it seems likely that at least in some cases the impacts of the event may be slightly delayed, resulting in a change in poverty status a few months later. We hope to consider some of these topics in our future research.

Appendix Table A1.

WEIGHTED SIPP POPULATION CONTROL TOTALS BY MONTH (WITH CELL COUNTS)

MONTH	YEAR	SIPP POP	NOT POOR	POOR	NEW POOR	New Not Poor
		-----	-----	-----	-----	-----
SEPTEMBER	1983	230830654.	194424225.	36406428.	0.	0.
	CELL COUNTS	(52759)	(44366)	(8393)	(0)	(0)
	% OF POP		84.23	15.77	0.00	0.00
OCTOBER	1983	231043081.	193834437.	37208644.	5412797.	4415554.
	CELL COUNTS	(52331)	(43863)	(8468)	(1207)	(1002)
	% OF POP		83.90	16.10	2.34	1.91
NOVEMBER	1983	231231553.	195286105.	35945449.	4399012.	5525019.
	CELL COUNTS	(52222)	(44051)	(8171)	(1004)	(1220)
	% OF POP		84.45	15.55	1.90	2.39
DECEMBER	1983	231343321.	195254499.	36088822.	5905628.	5429795.
	CELL COUNTS	(52072)	(43891)	(8181)	(1317)	(1200)
	% OF POP		84.40	15.60	2.55	2.35
JANUARY	1984	231742554.	194516729.	37225825.	6481072.	5023662.
	CELL COUNTS	(51982)	(43535)	(8447)	(1524)	(1145)
	% OF POP		83.94	16.06	2.80	2.17
FEBRUARY	1984	231851114.	196685839.	35165275.	4275016.	5576873.
	CELL COUNTS	(51884)	(43918)	(7966)	(986)	(1263)
	% OF POP		84.83	15.17	1.84	2.41
MARCH	1984	232008746.	197840430.	34168116.	4632718.	5215653.
	CELL COUNTS	(51614)	(43961)	(7653)	(1042)	(1190)
	% OF POP		85.27	14.73	2.00	2.25
APRIL	1984	232176787.	197426165.	34750622.	5179735.	3861958.
	CELL COUNTS	(51262)	(43529)	(7733)	(1184)	(877)
	% OF POP		85.03	14.97	2.23	1.66
MAY	1984	232309658.	199449836.	32859822.	3975583.	5413122.
	CELL COUNTS	(50803)	(43562)	(7241)	(929)	(1203)
	% OF POP		85.86	14.14	1.71	2.33
JUNE	1984	232556770.	199773321.	32783449.	5301410.	4736287.
	CELL COUNTS	(50599)	(43406)	(7193)	(1200)	(1062)
	% OF POP		85.90	14.10	2.28	2.04
JULY	1984	232652094.	199489671.	33162424.	5491114.	4607323.
	CELL COUNTS	(50350)	(43095)	(7255)	(1235)	(1009)
	% OF POP		85.75	14.25	2.36	1.98
AUGUST	1984	232871996.	201262261.	31609735.	4938371.	5814777.
	CELL COUNTS	(50104)	(43207)	(6897)	(1133)	(1269)
	% OF POP		86.43	13.57	2.12	2.50
SEPTEMBER	1984	233102122.	199739853.	33362268.	6865826.	4442895.
	CELL COUNTS	(49981)	(42734)	(7247)	(1548)	(996)
	% OF POP		85.69	14.31	2.95	1.91
OCTOBER	1984	233276848.	200285318.	32991530.	4811177.	4476152.
	CELL COUNTS	(49903)	(42779)	(7124)	(1048)	(998)
	% OF POP		85.86	14.14	2.06	1.92
NOVEMBER	1984	233478397.	200295157.	33175240.	5411605.	4478804.
	CELL COUNTS	(47709)	(40894)	(6815)	(1095)	(920)
	% OF POP		85.79	14.21	2.32	1.91
DECEMBER	1984	233681780.	199730527.	33871173.	5507291.	3963660.
	CELL COUNTS	(45679)	(38956)	(6673)	(1083)	(768)
	% OF POP		85.50	14.50	2.36	1.70
AVERAGE MONTH		232284337.	197830911.	34423426.	4911772.	4560846.
% OF POP			85.18	14.82	2.11	1.96

Table A2. WEIGHTED COUNT OF PERSONS IN FAMILIES EXPERIENCING EACH TYPE OF EVENT, FOR FAMILIES WHICH ARE POOR

MONTH	YEAR	NEW_BABY	DEATH	MARRIAGE	MARITAL BREAK-UP	JOB GAIN	JOB LOSS
OCTOBER	1963	48758.	0.	25952.	31080.	1397662.	3179469.
	% OF POP	(10)	(0)	(6)	(7)	(307)	(695)
NOVEMBER	1963	245335.	0.00	5487.	107843.	333650.	2901344.
	% OF POP	(50)	(0)	(2)	(26)	(296)	(671)
DECEMBER	1963	250653.	0.00	30253.	41205.	1154640.	3458978.
	% OF POP	(57)	(2)	(9)	(15)	(258)	(776)
JANUARY	1964	448629.	0.02	101192.	49354.	1109430.	3717504.
	% OF POP	(109)	(15)	(40)	(12)	(247)	(845)
FEBRUARY	1964	345003.	0.19	51152.	33311.	1292389.	2485287.
	% OF POP	(84)	(12)	(16)	(27)	(301)	(558)
MARCH	1964	385550.	0.14	45001.	64338.	1170948.	2188525.
	% OF POP	(90)	(2)	(18)	(16)	(284)	(484)
APRIL	1964	407352.	0.03	101027.	172158.	1123916.	2513700.
	% OF POP	(91)	(15)	(26)	(39)	(244)	(555)
MAY	1964	405454.	0.19	42181.	129417.	1317842.	2684762.
	% OF POP	(83)	(0)	(14)	(37)	(310)	(604)
JUNE	1964	295679.	0.00	76039.	219285.	1539909.	2702409.
	% OF POP	(73)	(6)	(21)	(43)	(346)	(625)
JULY	1964	360005.	0.07	61021.	221915.	1643030.	3207747.
	% OF POP	(93)	(1)	(23)	(51)	(369)	(721)
AUGUST	1964	554109.	0.01	70359.	233990.	1411166.	3173437.
	% OF POP	(132)	(0)	(28)	(49)	(309)	(700)
SEPTEMBER	1964	591794.	0.00	56645.	331075.	1437815.	4144746.
	% OF POP	(94)	(1)	(21)	(30)	(322)	(918)
OCTOBER	1964	325073.	0.01	119370.	114391.	1532364.	2890127.
	% OF POP	(68)	(2)	(35)	(22)	(341)	(635)
NOVEMBER	1964	453617.	0.04	23472.	161859.	1403890.	3078265.
	% OF POP	(101)	(6)	(6)	(33)	(289)	(601)
DECEMBER	1964	377113.	0.08	86598.	175463.	1023906.	2925172.
	% OF POP	(77)	(3)	(23)	(32)	(206)	(580)
AVERAGE MONTH	% OF POP	382941.	18829.	60842.	132445.	1326110.	3817983.
		1.03	0.05	0.18	0.38	3.05	8.77

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POPULATION COUNTS

Table A3. WEIGHTED COUNT OF PERSONS IN FAMILIES EXPERIENCING EACH TYPE OF EVENT, FOR FAMILIES WHICH ARE NOT POOR

MONTH	YEAR	NEW_BABY	DEATH	MARRIAGE	Marital			Job Gain	Job Loss
					Break-up	Job Gain	Job Loss		
OCTOBER	1963	79299	17006	51205	24659	11594869	9045747		
	% OF POP	(19)	(4)	(13)	(6)	(2645)	(2052)		
NOVEMBER	1963	229769	50666	195534	170972	10691374	7431254		
	% OF POP	(51)	(12)	(45)	(44)	(2441)	(1656)		
DECEMBER	1963	293456	110550	228886	150442	10267068	9373046		
	% OF POP	(75)	(23)	(79)	(36)	(2316)	(2135)		
JANUARY	1964	837421	390243	194262	303171	11236230	9668799		
	% OF POP	(215)	(69)	(69)	(72)	(2556)	(2205)		
FEBRUARY	1964	852334	267503	240382	280407	11634768	6748452		
	% OF POP	(188)	(48)	(102)	(69)	(2679)	(1501)		
MARCH	1964	1016277	210152	332479	288993	11273428	6682247		
	% OF POP	(252)	(44)	(111)	(78)	(2558)	(1533)		
APRIL	1964	951810	92252	390859	369289	10165032	6597064		
	% OF POP	(185)	(21)	(133)	(91)	(2333)	(1527)		
MAY	1964	1016723	114934	436088	268688	13343359	7210433		
	% OF POP	(247)	(26)	(158)	(68)	(3048)	(1617)		
JUNE	1964	1031382	96350	575994	342056	16329393	10043686		
	% OF POP	(228)	(20)	(202)	(83)	(3676)	(2238)		
JULY	1964	891237	70764	606654	506272	13000981	10578097		
	% OF POP	(210)	(15)	(206)	(110)	(2062)	(2349)		
AUGUST	1964	1254749	115120	563697	279646	13173171	11307966		
	% OF POP	(264)	(26)	(166)	(71)	(2900)	(2500)		
SEPTEMBER	1964	1273700	101661	610497	624051	14191410	14334698		
	% OF POP	(285)	(23)	(201)	(167)	(3211)	(3213)		
OCTOBER	1964	1052107	44176	425244	445910	11336231	7811221		
	% OF POP	(228)	(10)	(152)	(91)	(2533)	(1771)		
NOVEMBER	1964	1502892	82106	411422	284092	9788771	7640020		
	% OF POP	(283)	(15)	(137)	(72)	(1978)	(1567)		
DECEMBER	1964	1290210	76120	479484	370682	9991837	8813714		
	% OF POP	(293)	(13)	(140)	(76)	(1968)	(1754)		
AVERAGE MONTH		904896	123174	382846	314489	11865795	8885763		
	% OF POP	0.46	0.06	0.19	0.16	6.00	4.49		

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POPULATION COUNTS

Table A4. WEIGHTED COUNT OF PERSONS IN FAMILIES EXPERIENCING EACH TYPE OF EVENT, FOR FAMILIES WHICH ARE NEW POOR

MONTH	YEAR	NEW BABY	DEATH	MARRIAGE	MARITAL BREAK-UP	JOB GAIN	JOB LOSS
OCTOBER	1963	24349	0	12918	31080	126922	2040051
	CELL COUNTS	(4)	(0)	(3)	(7)	(30)	(447)
NOVEMBER	1963	0.45	0.00	0.24	0.57	2.34	37.05
	CELL COUNTS	132796	0	5407	41014	42959	1929419
DECEMBER	1963	3.02	0.00	0.12	0.93	0.98	(427)
	CELL COUNTS	102141	0	3991	37433	160522	43.06
JANUARY	1964	1.73	0.00	0.07	0.63	2.55	2294959
	CELL COUNTS	101622	0	32532	36444	101209	(492)
FEBRUARY	1964	48	0.00	0.50	0.54	(47)	38.06
	CELL COUNTS	109915	17972	34547	115005	155281	2627105
MARCH	1964	172165	0	29711	43958	133079	(603)
	CELL COUNTS	(38)	(0)	(12)	(12)	(29)	(374)
APRIL	1964	3.72	0.00	0.64	2.69	3.63	38.72
	CELL COUNTS	252336	0	30156	106912	200347	1655151
MAY	1964	51	0.00	0.91	2.61	(32)	(374)
	CELL COUNTS	151102	0	17523	106828	270753	1709098
JUNE	1964	3.80	0.00	0.44	2.69	6.01	43.01
	CELL COUNTS	103142	0	55209	201029	214926	1650066
JULY	1964	31	0.00	1.51	3.91	(48)	(391)
	CELL COUNTS	157021	3928	29227	190698	173319	2382642
AUGUST	1964	2.06	0.07	0.53	3.47	3.16	43.39
	CELL COUNTS	274072	0	50149	204942	232082	2071055
SEPTEMBER	1964	5.57	0.00	1.02	4.15	4.72	(463)
	CELL COUNTS	204707	0	10100	125498	214772	2623364
OCTOBER	1964	2.98	0.00	0.26	1.83	3.13	38.21
	CELL COUNTS	142268	0	36365	101278	186021	1826788
NOVEMBER	1964	2.96	0.00	0.76	2.11	3.07	(408)
	CELL COUNTS	166073	1922	21057	74301	150445	37.97
DECEMBER	1964	42	0.04	0.59	1.37	2.78	36.09
	CELL COUNTS	195981	0	52177	128605	119190	1750744
AVERAGE MONTH		3.56	0.00	0.95	2.34	2.16	31.79
	% OF POP	162033	1588	28616	101002	170234	1980565
		3.30	0.03	0.58	2.10	3.47	40.32

SIPP IMPUTATION PROGRAM

POPULATION COUNTS

Table A5. WEIGHTED COUNT OF PERSONS IN FAMILIES EXPERIENCING EACH TYPE OF EVENT, FOR FAMILIES WHICH ARE NEW NOT POOR

MONTH	YEAR	CELL COUNTS % OF POP	NEW_BABY	DEATH	MARRIAGE	Marital Break-up	Job Gain	Job Loss
OCTOBER	1963	CELL COUNTS	0.	0.	11599.	0.	2204920.	327254.
		% OF POP	(0)	(0)	(3)	(0)	(494)	(70)
NOVEMBER	1963	CELL COUNTS	10027.	0.	29979.	0.00	49.94	7.41
		% OF POP	(2)	(0)	(7)	4978.	2182748.	40064.
DECEMBER	1963	CELL COUNTS	0.	0.	29524.	0.09	39.51	0.73
		% OF POP	(0)	(0)	(10)	(0)	1905617.	87221.
JANUARY	1964	CELL COUNTS	14865.	0.	13834.	0.00	35.10	1.61
		% OF POP	(6)	(0)	(4)	0.	2432874.	37102.
FEBRUARY	1964	CELL COUNTS	0.	0.	36284.	0.00	48.43	0.74
		% OF POP	(0)	(0)	(13)	22083.	2488897.	144444.
MARCH	1964	CELL COUNTS	4737.	0.	60008.	0.40	564	2.59
		% OF POP	(2)	(0)	(16)	13612.	2360780.	118001.
APRIL	1964	CELL COUNTS	59230.	0.	92177.	0.26	45.26	2.28
		% OF POP	(15)	(0)	(25)	10771.	1089363.	85137.
MAY	1964	CELL COUNTS	1.53	0.00	2.39	0.28	48.92	2.20
		% OF POP	(9)	(3)	(20)	39726.	2549712.	57632.
JUNE	1964	CELL COUNTS	16037.	0.	72507.	0.73	577	16
		% OF POP	(4)	(0)	(25)	3034.	2172675.	113279.
JULY	1964	CELL COUNTS	2530.	0.	30508.	0.06	45.87	2.39
		% OF POP	(2)	(0)	(10)	10442.	2170009.	45854.
AUGUST	1964	CELL COUNTS	0.	0.00	164549.	0.23	47.10	1.00
		% OF POP	(0)	(0)	(42)	11388.	2163119.	167972.
SEPTEMBER	1964	CELL COUNTS	16480.	0.	2.83	0.20	37.20	2.89
		% OF POP	(6)	(0)	(21)	28807.	2550107.	221697.
OCTOBER	1964	CELL COUNTS	919.	0.	78499.	0.65	57.58	4.99
		% OF POP	(1)	(0)	(26)	0.	1661480.	130528.
NOVEMBER	1964	CELL COUNTS	0.02	0.00	1.75	0.00	37.12	2.92
		% OF POP	(20)	(0)	(23)	6137.	1686748.	94093.
DECEMBER	1964	CELL COUNTS	1.68	0.00	1.91	0.14	37.73	2.10
		% OF POP	(3)	(0)	(23)	0.	1582438.	114451.
AVERAGE MONTH	% OF POP		16251.	949.	60818.	10665.	213966.	119035.
			0.36	0.02	1.33	0.22	46.79	2.61

FOOTNOTES

- 1/ Both having a new baby and experiencing a death are specific cases of changes in family size. All such cases cause poverty thresholds to rise or fall, and can therefore lead to changes in poverty status. A more general analysis might consider increases and decreases in family size as events that cause changes in needs--and possibly incomes. These broader events are not examined here, however.
- 2/ The two employment-related events are actually defined on the basis of monthly earnings rather than on reported employment status--a person has been defined as becoming unemployed if prior month's earnings were above \$200 and this month's earnings are below that level, while entry into employment involves moving from earnings of less than \$200 to earnings above that level. The threshold level of \$200 per month was chose somewhat arbitrarily to exclude small amounts of earnings from casual employment activities such as baby-sitting. It should be noted that the unemployment variable, in particular, does not necessarily imply continued labor force participation, but rather includes persons who retire, who take maternity leave, and so forth.
- 3/ One-fourth of the sample was interviewed each month concerning events of the previous four months. As a result, only a quarter of the sample would experience a cross-wave transition for a given calendar month.
- 4/ Table 1 is taken from an earlier study by one of the authors of this paper, Robertson Williams, and is based on a slightly different SIPP sample than the rest of the results reported in this paper. In particular, this sample includes 12 months rather than 16 months of data, covering the calendar year 1984 period. It also excludes persons for whom a full year of data was not available. For more information on the specifics of this sample and of the methods used to calculate these four poverty measures, see Robertson Williams, "Poverty Rates and Program Participation in the SIPP and the CPS," paper prepared for presentation at the 1986 Joint Statistical Meetings, August 1986.
- 5/ See for example Mary Jo Bane and David Ellwood, "The Dynamics of Dependence and the Routes to Self-Sufficiency," Final Report to the U.S. Department of Health and Human Services, Harvard University, Cambridge, Mass. 1983, and Greg Duncan, Richard D. Coe, and Martha S. Hill, "Some Dynamic Aspects of Poverty," in Greg Duncan, ed., Years of Poverty, Years of Plenty, Institute for Social Research, Ann Arbor, Michigan 1984.
- 6/ Individuals were defined as "becoming poor" in a given month if their family incomes were below the relevant poverty threshold in that month, but above the thresholds in the previous month. Similarly, persons "leaving poverty" in a given month were defined as those who were poor in the previous month but not poor in the current month.
- 7/ Our data indicate that about 11 percent of the sample experience one of these six events in any given month, while about one-half of one percent experience two events. Less than one-tenth of one percent experience three events, and no one experienced four.

FOOTNOTES CONTINUED

- 8/ Families becoming poor in any given month are of course a subset of the poverty population as a whole for that month, so that the relatively high incidence of job loss, births, and marital break-ups seen for the newly poor may in fact explain the differences between the poor and non-poor populations as a whole.
- 9/ In some cases, marital break-ups will in effect cause job losses that will not appear as such in these tables, since they may result in an employed person leaving the family. As defined here, job losses are attributed only to families that contain a person who was employed in the previous month.
- 10/ Because our poverty definition looks only at current month income, it is somewhat difficult to tell from our data (at least as now tabulated) exactly who was poor in the month prior to the occurrence of a given event. The estimates given here are therefore approximations only, based on the average number of transitions in both directions for those experiencing each event, as well as on the average number of persons experiencing each event and remaining poor. These averages do not take into account month to month changes in family composition that could also affect these results, however.
- 11/ Family headship is in many cases a somewhat arbitrary designation, and extended-family households may be treated somewhat differently in the data depending on who in the household was interviewed.
- 12/ Since family composition is based on data for the month in which the event in question occurred, any woman who became a family head as the result of a divorce would be classified as a member of a female-headed family in that month, as would her children if they continued to live with her rather than her ex-spouse.
- 13/ In all likelihood, however, this lower percentage of job losses results from the fact that members of these families are significantly less likely to be employed in the first place.
- 14/ If the family head were to marry, the family would no longer be female-headed. Any marriage within female-headed families must thus have involved a dependent. Indeed, the very small number of marriages seen in such families may in itself explain this finding, since the sample of such marriages, even across all 16 months of data, cannot be very large.

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**Transitions In and Out of Poverty:
New Data from the Survey of
Income and Program Participation**

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The Congressional Budget Office**

**To be presented at
the Annual Meetings of
The Allied Social Science Associations
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THE URBAN INSTITUTE

**Transitions In and Out of Poverty:
New Data from the Survey of Income and Program Participation**

Factors associated with the onset of poverty spells and with exits from poverty have long been a major topic of interest to policy makers and analysts alike. From a policy perspective, information on the events likely to be associated with major changes in income is clearly helpful in designing anti-poverty initiatives. Further, a better understanding of the relative importance of various possible causes of poverty is potentially useful in improving the targeting of existing income assistance programs. And finally, if program participants and other members of the poverty population are to be encouraged to leave poverty and become self-sufficient, data on the major factors associated with exits from poverty may help us to assess the potential for success of alternative anti-poverty strategies.

Unfortunately, until recently it has been difficult to study specific transitions in and out of poverty in any detail. We have only a few major databases that provide information on individuals' incomes over a period of time, thereby allowing those who are newly poor or newly escaped from poverty to be distinguished from the rest of the poor or non-poor populations. The few longitudinal databases that exist, such as the Panel Study of Income Dynamics (PSID) and the National Longitudinal Survey (NLS), have typically provided information on annual income only, making it possible to identify only the year in which major income transitions occurred. Associating these annual income changes with specific events that occurred at some point during the year can be very difficult, since the event and the income change may actually have taken place at very

different points in time and may not be causally related. Further, many income changes may be missed in such annual data, either because they result in a poverty spell lasting less than a year or because they occur late enough in the year so that total annual income for that year does not fall below the poverty level. Finally, to the extent that income transitions and changes in household composition occur simultaneously, it can be difficult to identify the specific household members whose income is being reported for the year as a whole, as opposed to those whose income is included for only part of the year or possibly not at all. These problems can also make it difficult to identify newly poor or newly non-poor individuals and households.

Data that have recently become available from the Census Bureau's new Survey of Income and Program Participation (SIPP) allow us to avoid many of these problems in examining income transitions. The SIPP is a longitudinal panel survey that traces specific individuals over a period of more than two years. Interviews are conducted every four months, and information on income and family composition is collected on a month by month basis. Because data are collected on shorter intervals than in other longitudinal surveys, the specific points at which income transitions occur can be more precisely identified, and these transitions can be more closely matched with any associated changes in the composition of the household or in the employment status of household members.

This paper uses data from the SIPP to examine transitions into and out of poverty. The focus of the paper is on six specific demographic and employment-related events, and their association with becoming poor or leaving poverty. The events considered are the entrance of a new baby into

the family, a death in the family,¹ a marriage, a separation or divorce, the unemployment of a family member, and the entrance into employment of a family member.² In all cases, the event has been considered in relation to the income status of all persons who were in the family in the month in which the event occurred, and poverty statistics have all been calculated at the family level.

To assess the effects of these events on poverty transitions, their incidence among both the poor and non-poor populations is compared with that for the newly poor and the newly non-poor. The probability of becoming poor (or of becoming non-poor) if one is in a family where such an event occurs is then calculated for each of the events under investigation.

Examination of the relationship between these events and poverty transitions for the population as a whole is followed by similar analysis for people in four specific types of families. These family types are female-headed families, families headed by males or by married couples, families with elderly members (aged 65 and over), and families with no

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- 1./Both having a new baby and experiencing a death are specific cases of changes in family size. All such cases cause poverty thresholds to rise or fall, and can therefore lead to changes in poverty status. A more general analysis might consider increases and decreases in family size as events that cause changes in needs—and possibly incomes. These broader events are not examined here, however.
 - 2./The two employment-related events are actually defined on the basis of monthly earnings rather than on reported employment status—a person has been defined as becoming unemployed if prior month's earnings were above \$200 and this month's earnings are below that level, while entry into employment involves moving from earnings of less than \$200 to earnings above that level. The threshold level of \$200 per month was chosen somewhat arbitrarily to exclude small amounts of earnings from casual employment activities such as baby-sitting. It should be noted that the unemployment variable, in particular, does not necessarily imply continued labor force participation, but rather includes persons who retire, who take maternity leave, and so forth.

elderly members. Within each demographic group, both the overall incidence of each event and its association with changes in poverty status are investigated.

Although the overall aim of this paper is to examine the relationship between the various life events considered and transitions in and out of poverty, it should be noted that the data presented are primarily descriptive in nature, and do not imply a strict causative model of entry into or exit from poverty. Clearly, assessing the relationships between these events and poverty transitions in detail would require simultaneously taking into account the possible income effects of a wide array of other variables. In addition, we have by no means considered all possible event that could potentially affect income transitions. The data presented here are preliminary only, and represent a first attempt to identify some of variables that may be important in explaining poverty transitions. Nevertheless, we believe that the results outlined below are highly suggestive, and point to some additional topics that deserve further investigation.

Before turning to those results, the next section of this paper briefly describes the specific SIPP sample used for this study, and presents some summary data on poverty rates and poverty transitions calculated from the SIPP. The third section of the paper provides data on the association of our six life events with poverty transitions for the poor and non-poor populations as a whole. The impacts of these events for those in the specific demographic groups outlined above are considered in section four, and the final section presents our conclusions and suggestions for further research.

Poverty Rates and Poverty Transitions as Measured in the SIPP

The estimates presented in this paper are based on data taken from the first five waves, or sets of interviews, of the SIPP. These data cover the 16 months from September 1983 through December 1984. Because data from each wave were released separately by the Census Bureau, individual records from each of the five waves had to be linked together to create files that spanned the entire 16 month period. There are records for approximately 60,000 individuals included in this linked file, although only about two-thirds of these people were in the SIPP sample in every month. Individuals have been assigned a zero weight for months in which they were not in the sample, cross-sectional weights assigned by the Census Bureau have been used in computing month by month statistics on income and demographic events. Data for about 50,000 individuals are available on average in any given month (specific counts for each month are shown in appendix table A.1).

One potential problem with using a file consisting of linked wave records involves continuity of the data across waves. In processing the raw SIPP data for release as public use samples, the Bureau of the Census performed a wide range of editing and imputation activities to ensure that the data were complete and internally consistent. All edits and imputations were done on each wave of data individually, without reference to data from other waves, however. There was no attempt to assure continuity across waves, either in terms of information reported or that imputed by the Census Bureau.

Preliminary analysis of the linked files indicates that there is much greater variation in reported data for specific individuals across waves than there is within waves, particularly in terms of both amounts and types

of income received. This increase in variation may arise from biases in reporting by respondents, who may tend to attribute current income levels to all previous months in the same wave, but it could also be associated with the fact that the Census Bureau's imputation procedures do not take into account income or other characteristics reported in other waves. Ideally, the longitudinally linked files should at some point receive the same type of careful editing for consistency that has been done for the cross-sectional files. Although the staggered interview schedule helps to smooth out the wave variations for aggregate values reported in the analysis,³ this is not the case for transition events. Because both the events and movements into and out of poverty are more likely to show up in the data due to these variations in individual data, our findings should be interpreted with caution.

In spite of some possible suppression of within-wave variations in income, it is nonetheless clear that many individuals experience substantial variations in income on a month-to-month basis. Table 1 shows four alternative poverty measures as calculated from the SIPP for persons and families of several different types. These four measures, all of which are based on cash income only, include an annual poverty rate, based on family income over the year as a whole; an "ever poor" rate, showing the proportion who were poor for at least one month during the year; an "always poor" rate, showing the proportion poor in every month during the year; and finally an average of the poverty rates calculated for each specific month

3. One-fourth of the sample was interviewed each month concerning events of the previous four months. As a result, only a quarter of the sample would experience a cross-wave transition for a given calendar month.

during calendar year 1984.⁴ A fifth poverty rate, the official poverty rate as calculated from the Current Population Survey (CPS), has been included in Table 1 for comparison purposes as well.

Poverty rates under each of these alternative definitions are shown in Table 1 for each of five population subgroups and for the population as a whole. The subgroups shown are:

- o Married couples with children—all those living in families headed by married couples living with their own children under age 18;
- o Single parents with children—all those living in families headed by single parents living with their own children;
- o Unrelated Individuals—all persons not living in families; and
- o Other—all persons living in families, but not in one of the types of families included in the first two categories above.

These four categories are mutually exclusive, and together account for the entire population. A fifth category, consisting of all persons aged 65 and over, regardless of family situation, is also shown in the table. It should be noted that all those in this category are also included in one of the other four, however.

Perhaps the most striking feature of the poverty rates shown in Table 1 is the large amount of within-year movement into and out of poverty that they imply for all five population subgroups, as well as for the population

4./Table 1 is taken from an earlier study by one of the authors of this paper, Robertson Williams, and is based on a slightly different SIPP sample than the rest of the results reported in this paper. In particular, this sample includes 12 months rather than 16 months of data, covering the calendar year 1984 period. It also excludes persons for whom a full year of data was not available. For more information on the specifics of this sample and of the methods used to calculate these four poverty measures, see Robertson Williams, "Poverty Rates and Program Participation in the SIPP and the CPS", paper prepared for presentation at the 1986 Joint Statistical Meetings, August 1986.

Table 1

ALTERNATIVE POVERTY RATES BY FAMILY TYPE, 1984 (in percents)

Family Type	Survey of Income and Program Participation				Current Population Survey
	Annual Rate	Poor All 12 Months	Poor In Any Month	Average of Monthly Rates	1984 Annual Rate
All Persons	11.0	5.9	26.2	13.7	14.4
Married Couples with Children	7.4	2.8	24.3	10.2	10.5
Single Parents with Children	39.9	25.8	60.8	42.7	44.7
Unrelated Individuals	17.7	11.0	35.9	21.9	21.8
Other Persons	4.5	2.0	14.3	6.3	5.3
Elderly Persons	10.3	6.8	18.5	12.1	12.4

SOURCE: Tabulations of data from the Survey of Income and Program Participation and the Current Population Survey.

as a whole. For all subgroups, the proportion of people poor on average in any given month, based on their monthly income, is always higher than the proportion who are poor when their incomes over the year as a whole are taken into account. The ratio of monthly to annual poverty rates varies somewhat across these population subgroups, however, generally in ways that might be expected. For example, elderly persons and single parent families, who are most likely to rely on transfer incomes that typically vary relatively little from month to month, have annual poverty rates that are fairly close to their monthly rates, while families headed by married couples with children, who may be more likely to depend primarily on employment incomes, have annual and monthly poverty rates that diverge somewhat more.

The impacts of within-year movements into and out of poverty can be seen even more clearly by comparing those who are poor in at least one month with those who are poor over the year as a whole. For the full sample, the proportion poor at least one month is more than four times as high as the proportion poor in every month—about 26 percent as compared to about 6 percent. Again, the fluctuations seen differ across the five subgroups considered, with single-parent families having the most stable (and most consistently low) incomes, and with married couples with children experiencing the greatest fluctuations. These estimates imply, for example, that while married couples with children are almost as likely to be poor in at least one month as is an average member of the population as a whole, they are less than half as likely to be continuously poor for an entire year. Elderly persons, on the other hand, are substantially less likely than the average to experience at least one month of poverty, but those who are poor are more likely to stay poor over the year as a whole.

What causes the differences in the likelihood of becoming or remaining poor seen in Table 1? To what extent are these poverty transitions related to demographic events, such as a divorce or the birth of a child, and to what extent to labor market events, such as the loss of a job? The next section of this paper explores these questions for the population as a whole.

Incidence of Demographic and Labor Market Events
and Their Association with Poverty Status

As discussed briefly in the introduction, this study considered the impacts of six specific demographic and economic events on transitions into and out of poverty. For the purposes of this analysis, poverty was defined on the basis of monthly cash income, and any family that received an income below one-twelfth of the relevant annual poverty threshold in any month was considered to be poor in that month. Individuals were considered poor in any month in which they were members of poor families. Thus, for example, individuals could enter poverty either by belonging to a family that lost income, or by joining a family that was already poor.

All of the analysis is on the basis of persons, not families, even though events, incomes, and poverty status are all determined at the family level. Thus, for example, a person is reported as having experienced a job loss in her or his family if any family member had earnings fall from above \$200 in one month to less than \$200 in the next, whether or not the individual's earnings changed. Note that this means that a family could have both a job loss and a job gain in a single month if different members experienced those two events. Some results that appear strange can be explained by this way of defining events.

Defining poverty on a monthly basis does significantly increase the number of persons who are counted as poor, as Table 1 showed, and many of those who are counted as becoming poor in this analysis may in fact have remained poor for only a short period of time. In future work on this topic, we hope to examine what determines the lengths of poverty spells as well as what transition points define spell beginnings and endings. Such an examination was beyond the scope of the present analysis, however.

The six specific demographic and economic events examined in this study were chosen largely because other studies based on annual longitudinal data, notably the PSID, have shown them to be important determinants of poverty transitions over longer analysis periods.⁵ We hypothesized that they would prove to be at least as important in explaining month-to-month poverty transitions. Because the SIPP, unlike databases using an annual income measure, is able to identify the specific point at which income transitions occur, these transitions can be matched more closely with particular life events. We believed that this might be particularly helpful in examining the impacts of family composition changes, whose timing (and even existence) can be difficult to determine in databases that rely on one yearly interview.

The six specific events examined in this study were:

- o **Entrance of a New Baby into the Family.** Births (and adoptions of infants) were measured by identifying all families that acquired a new sample member with age equal to zero. The birth was attributed to the month in which the new sample member was first reported.

5./See for example Mary Jo Bane and David Ellwood, "The Dynamics of Dependence and the Routes to Self-Sufficiency", Final Report to the U.S. Dept. of Health and Human Services, Harvard University, Cambridge, Mass. 1983, and Greg Duncan, Richard D. Coe, and Martha S. Hill, "Some Dynamic Aspects of Poverty", in Greg Duncan, ed., Years of Poverty, Years of Plenty, Institute for Social Research, Ann Arbor, Mich. 1984.

- o **Death in the Family.** A death was attributed to all families who lost a member whose reason for leaving the sample was coded as "death". However, this variable is as yet unedited on the SIPP, and preliminary analyses indicate that it may not, in fact, pick up all deaths that actually occurred in the sample. This event may therefore be somewhat under-represented in our analysis file.
- o **Occurrence of a Marriage.** A marriage was attributed to all families containing at least one member who was coded as having moved from an unmarried status (including "never-married," "divorced," "separated," or "widowed") to "married spouse, present."
- o **Break-up of a Marriage.** A marital break-up was attributed to all families including a member who was coded as moving from "married, spouse present" in one month to "divorced," "separated" or "widowed" in the next month. (In both this case and the previous one, the event was attributed to the family in which the person resided in the second month, and was treated as having occurred in that month.)
- o **Loss of a Job by a Family Member.** A job loss was attributed to all families in which a member who had had earnings of more than \$200 in the previous month reported no earnings or earnings below \$200 in the current month. (An arbitrary level of \$200 was chosen to exclude earnings from casual employment; a person working 15 hours per week at minimum wage, for example, earns more than \$200 per month.)
- o **Employment of a Family Member.** An entry into employment was attributed to all families in which a member with no earnings or earnings under \$200 in the previous month reported earnings above \$200 in the current month.

In all cases, the event in question was attributed not only to the individual or individuals directly involved, but also to those in the same family in the month in which the event occurred. Because poverty status is measured at the family level and depends on family income, these events would affect the status not only of those for whom they occurred, but also of all others in the same family at the time of their occurrence.

Table 2 shows the overall incidence of each of these six events for the sample as a whole, for the poor and non-poor portions of the sample, and

for those becoming poor or leaving poverty in the same month as the event.⁶

The percentages shown in Table 2 represent the average percentage of those with the event across the sixteen months from September 1983 through December 1984. Thus, while sample sizes for some events may appear relatively small, particularly for the newly poor and newly non-poor populations (which each contain about 1000 sample persons in an average month) it should be noted that the figures presented here are actually monthly averages based on sixteen sets of observations of each event. For example, the data on new babies entering newly poor families imply that only about 0.07 percent of the sample would fall into this cell in an average month—or, since the total sample size is about 50,000, approximately 35 families. Over the sixteen months as a whole, however, there are 562 births occurring in such families—still not an enormous number, but enough for some reasonably reliable generalizations about their relative incidence. Appendix tables A.2 through A.5 show the month-by-month incidence of each event for the poor, non-poor, newly poor and newly non-poor populations respectively.

The most conspicuous finding illustrated by Table 2 is the very large role played by labor market events in determining entrances into and exits from poverty. More than 40 percent of those becoming poor in any given month had a family member lose a job in that month, while almost 47 percent of those leaving poverty had a family member gain a job. None of the demographic events, in contrast, was experienced by much more than 3 percent of those in families entering or leaving poverty.

6./Individuals were defined as "becoming poor" in a given month if their family incomes were below the relevant poverty threshold in that month, but above the thresholds in the previous month. Similarly, persons "leaving poverty" in a given month were defined as those who were poor in the previous month but not poor in the current month.

Table 2

Percentage of Persons in Families
with Occurrences of a Major Life Event,
by Poverty Status

Event	All Persons	Poor Persons	Non-Poor Persons	Persons Becoming Poor This Month	Persons Leaving Poverty This Month
New Baby	0.5	1.0	0.5	3.3	0.4
Death	0.1	—	0.1	—	—
Marriage	0.2	0.2	0.2	0.6	1.3
Marital Break-up	0.2	0.4	0.2	2.1	0.2
Job Loss	5.1	8.8	4.5	40.3	2.6
Job Gain	5.7	3.9	6.0	3.5	46.8
TOTAL NUMBER OF PERSONS IN CATEGORY (in Thousands):	232,254	34,423	197,831	4,912	4,561
Percentage of Population in Category:	100	14.8	85.2	2.1	2.0

Source: Calculated from the Survey of Income and Program Participation. Figures shown are averages for the months Sept. 1983 through Dec. 1984. See text for definitions of events and populations shown.

Overall, it appears that about half of the families with poverty transitions experienced a relevant employment-related or demographic event in the month in which the transition occurred. Of course, not all the events tallied can be said to have directly caused the transitions in question—among other things, some families may have experienced more than one event in the relevant month.⁷ Further, some events clearly occur without affecting transitions in the expected direction—for example, some proportion of those becoming poor also have a family member gain a job in the same month. In some cases, this job gain may have been motivated by the loss of whatever other income source previously kept the family out of poverty, but there is presumably some random shifting of income and events in the population as well.

As might be expected, employment-related events were also much more common in the sample as a whole than were any of the demographic events. Approximately 5 percent of the sample as a whole were in families that lost a job during an average month, while almost 6 percent were in families gaining jobs. In contrast, the most common demographic event was the arrival of a new baby, which occurred in one-half of one percent of all families in an average month. Those in poor families experienced significantly higher rates of job loss, birth, and marital break-up than did the population as a whole, although their rates were still well below those seen for families becoming poor in any given month.⁸

7./Our data indicate that about 11 percent of the sample experience one of these six events in any given month, while about one-half of one percent experience two events. Less than one-tenth of one percent experience three events, and no one experienced four.

8./Families becoming poor in any given month are of course a subset of the poverty population as a whole for that month, so that the relatively high incidence of job loss, births, and marital break-ups seen for the newly poor may in fact explain the differences between the poor and non-poor populations as a whole.

In summary, then, employment-related events are much more common than demographic events for the poor and non-poor alike, and they also appear to be associated with a relatively large proportion of all poverty transitions. On the other hand, those becoming poor and those leaving poverty in a given month do experience certain demographic events, as well as employment-related events, at a higher rate than those who do not make such transitions. Although these demographic events are much rarer than the employment-related events across the population as a whole, they may in some cases be just as likely to be associated with poverty transitions for those families in which they occur. The next section explores that issue.

Poverty Transitions Made by Those in Families
Experiencing Demographic and Employment-Related Events

As seen in the last section, employment-related events, because they are so common in the population as a whole, are associated with a much higher proportion of all transitions into and out of poverty than are demographic events. For those who experience them, however, certain demographic events are also relatively likely to lead to a change in poverty status, as Table 3 shows. In fact, one demographic change—the break-up of a marriage—is significantly more likely to be associated with becoming poor than is the loss of a job.⁹ Of those in families experiencing a divorce (or other break-up), 23 percent became poor in the same month, compared to about 17 percent of those in families with a job

9./In some cases, marital break-ups will in effect cause job losses that will not appear as such in these tables, since they may result in an employed person leaving the family. As defined here, job losses are attributed only to families that contain a person who was employed in the previous month.

Table 3

Percentage of Persons in Families
with Occurrences of a Major Life Event
Who Experience a Change in Poverty Status

Event	Total Number of Persons with Event (in Thousands)	Persons with Event Who Become Poor This Month	Persons with Event Who Leave Poverty This Month
New Baby	1,258	12.9	1.3
Death	142	1.1	0.7
Marriage	444	6.4	13.7
Marital Break-up	447	23.0	2.3
Job Loss	11,904	16.6	1.0
Job Gain	13,192	1.3	16.2

Source: Calculated from the Survey of Income and Program Participation. Figures shown are averages for the months Sept. 1983 through Dec. 1984. See text for definitions of events and populations shown.

loser. Families gaining a new baby are also relatively likely to become poor—about 13 percent of those in families experiencing a birth entered poverty.

Some cautions should be observed in interpreting these results. In particular, we have not yet examined the duration of the poverty spells associated with these transitions, and some may be very short indeed. For example, some of the entrances into poverty experienced by families with new babies may result from temporary unpaid maternity leaves that reduce the family's total earnings in the very short run, but that have relatively little impact over the longer run. Similarly, many divorcees and job losers may be poor for a month or two, in the sense that they have little or no income over that period, but they may have savings or other resources that are more than sufficient to tide them over until a new job is found or other arrangements for the support of the family are made. Conceivably, for example, even those who take a month's vacation without pay between giving up one job and starting another could be counted as poor if the family has little other income during that time. Such instances of "poverty" are clearly different in fundamental ways from longer-term spells of poverty, or even from short term spells experienced by those with few other resources. Although data on spell durations could not be tabulated in time for inclusion in this paper, we hope to pursue this issue further in our future work.

Just as certain events are relatively likely to lead to spells of poverty for those who experience them, others are relatively likely to result in transitions out of poverty. Not surprisingly, the two events most likely to be associated with an exit from poverty are job gains and marriage. About 16 percent of those in families with someone who gains a

job, and almost 14 percent of those in families experiencing a marriage leave poverty in the same month. Because most of those who marry or even of those who gain jobs were not poor before the event occurred and thus could not have made a transition out of poverty, this represents a very high probability of leaving poverty for those among the poor who do experience each event. Overall, about 60 percent of those in previously poor families experiencing a marriage leave poverty in the same month, while about 65 percent of those in previously poor families with a job gainer do so.¹⁰

In summary, the data presented in Tables 2 and 3 indicate that employment-related events are much more common than demographic events, both in the population as a whole and among those experiencing poverty transitions, and therefore they tend to be associated with a much larger proportion of all transitions. Indeed, the count of events shown in Table 3 implies that employment-related events account for more than 90 percent of all the occurrences of events considered in this paper. Nevertheless, Table 3 also indicates that demographic events can also be important predictors of transitions for those who experience them. As seen above, those in families with a divorce are actually more likely to become poor than are those in families with a job loser, and those in families experiencing a birth are also relatively likely to fall into poverty. Demographic events may also have important consequences in terms of exits

10./Because our poverty definition looks only at current month income, it is somewhat difficult to tell from our data (at least as now tabulated) exactly who was poor in the month prior to the occurrence of a given event. The estimates given here are therefore approximations only, based on the average number of transitions in both directions for those experiencing each event, as well as on the average number of persons experiencing each event and remaining poor. These averages do not take into account month to month changes in family composition that could also affect these results, however.

from poverty—for example, almost as large a proportion of those in families with a marriage as of those in families with a job gainer leave poverty in the same month.

So far, we have examined the impacts of employment-related and demographic events on poverty transitions taking place among the population as a whole. It is to be expected, however, that certain events are likely to be more important for subgroups within the population than they are for others. The next section of this paper considers the impacts of these events for two important subgroups—female-headed families and families with elderly members—who together account for a large proportion of the poverty population (and especially, of the long-term poor), and whose transitions into and out of poverty are therefore of particular policy interest.

Poverty Transitions for Those in Female-Headed Families and in Families with Elderly Members

As seen above, events such as a divorce or the loss of a job can in many cases be associated with entries into poverty. Certain population subgroups, such as families headed by women, may be particularly likely to have suffered these events. In addition, both the data shown in Table 1 and results from other studies based on the PSID indicate that female-headed families and families with elderly members are more likely than other families to remain in poverty once they become poor. This section therefore examines the events likely to be associated with entries into and exits from poverty for persons in such families.

Female-headed Families. For the purposes of this study, a person was considered to be in a female-headed family in any month in which his or her

family head was a woman rather than a married couple or a man. This determination was made at the family rather than household or sub-family level. As a result, for example, a young woman living with her own child and her parents, a married couple, would typically not have been counted as a member of a female-headed family in these data, since in most cases the parents would be counted as the family heads. The same young woman living with an unrelated married couple, however, would be counted as a female family head, even if the other couple were considered the household heads.¹¹

Table 4, which shows the impacts of the six life events discussed in the earlier part of this paper on poverty transitions experienced by those in female-headed and non-female headed families, indicates that those in female-headed families are indeed disproportionately likely to suffer certain adverse events—and are even more disproportionately likely to become poor. For example, although persons in female-headed families account for only about 20 percent of the sample in an average month, they experience 63 percent of the divorces and other marital disolutions.¹²

If they do suffer a marital break-up, those in female-headed families are much more likely than those in other families to become poor: almost 31 percent of those in female-headed families experiencing a divorce or other break-up become poor in the same month, compared to only about 10 percent of those in other families. This discrepancy could occur for a

11./Family headship is in many cases a somewhat arbitrary designation, and extended-family households may be treated somewhat differently in the data depending on who in the household was interviewed.

12./Since family composition is based on data for the month in which the event in question occurred, any woman who became a family head as the result of a divorce would be classified as a member of a female-headed family in that month, as would her children if they continued to live with her rather than her ex-spouse.

Table 4

Percentage of Persons in Families
with Occurrences of a Major Life Event
Who Experience a Change in Poverty Status,
by Female Headship

Event	Total Number of Persons with Event (in Thousands)	Persons with Event Who Become Poor This Month	Persons with Event Who Leave Poverty This Month
Persons in Female-Headed Families With:			
New Baby	253	24.6	1.7
Death	17	—	—
Marriage	20	13.3	3.8
Marital Break-up	282	30.6	1.7
Job Loss	1,826	26.3	0.8
Job Gain	2,067	2.5	23.5
Persons in All Other Families With:			
New Baby	1005	9.9	1.2
Death	125	1.3	0.8
Marriage	423	6.1	14.2
Marital Break-up	165	10.1	3.2
Job Loss	10,078	14.9	1.0
Job Gain	11,125	1.1	14.8

Source: Calculated from the Survey of Income and Program Participation. Figures shown are averages for the months Sept. 1983 through Dec. 1984. See text for definitions of events and populations shown.

number of different reasons, some of which may have relatively short term impacts. For example, in one-earner households that experience a divorce, the earner is most likely to have been the husband, and his departure may substantially reduce family income for a month or two until the woman finds a job and/or arrangements for child support or alimony payments are made. (Of course, in some cases of this type the spell of poverty will last substantially longer—for example, if the woman cannot earn enough to raise the family income above the poverty level, and her ex-spouse does not provide support payments sufficient to make up the difference.)

Although marital break-ups are somewhat more likely than job losses to be associated with entries into poverty for female-headed families who experience each of these events, job losses are still much more common and account for a much larger share of all poverty entries for this subgroup. While members of female-headed families are actually somewhat less likely than the rest of the population to experience a job loss—they make up 20 percent of the total population but account for only about 15 percent of all job losses in an average month.¹³ Those that do experience such a loss are much more likely to become poor than are those in non-female-headed families in the same circumstances. About one-fourth of those in female-headed families enter poverty in this situation, compared to about 15 percent of those in other families. This difference probably stems in part from female-headed families being less likely than other families to have a second earner, and in part from their generally lower incomes from other sources.

13./In all likelihood, however, this lower percentage of job losses results from the fact that members of these families are significantly less likely to be employed in the first place.

The arrival of a new baby is also more likely to result in an entry into poverty for female-headed families than for other families—almost one-fourth of those in female-headed families with a new baby become poor, compared to one-tenth of those in other families, even though the overall likelihood of a birth is about the same for both groups. Finally, even events not generally associated with becoming poor appear to be relatively likely to result in entrances into poverty for those in female-headed families. For example, 13 percent of those in female-headed families experiencing a marriage entered poverty in the same month. This apparently anomalous—and rare—result stems from the fact that such marriages cannot involve the family head and may thus add to needs without adding to resources.¹⁴

Although female-headed families are more likely to enter poverty when suffering an adverse event, they are not in general more likely to leave poverty with a favorable event. The exception is job gains—more than 23 percent of those in female-headed families who find jobs leave poverty as a result, while only about 15 percent of those in other families do so. (Of course, female-headed families are much more likely to have been poor in the first place, and so have a greater opportunity to leave poverty under these circumstances.)

Unfortunately, the figures shown in Table 4 do not really indicate how many female-headed families leave poverty as the result of marriage, since as discussed above those who marry are in general no longer in female-

14./If the family head were to marry, the family would no longer be female-headed. Any marriage within female-headed families must thus have involved a dependent. Indeed, the very small number of marriages seen in such families may in itself explain this finding, since the sample of such marriages, even across all 16 months of data, cannot be very large.

headed families. In our future work on this topic, we hope to examine the impacts of marriage on those who were in female-headed families in the month before the marriage.

Families with Elderly Members. Families with elderly members account for about 16 percent of the population as a whole, but for a significantly smaller proportion of all events except deaths. Further, as Table 5 shows, those events that do occur are much less likely to move such families into or out of poverty (again with the exception of deaths). Job losses and gains are still the most likely events, even for families with elderly, but only about 10 percent of those with such losses or gains enter or exit from poverty (as appropriate) in the same month, compared to about 17 percent of those in families without elderly. Marital break-ups (which include widowhood) are more likely to result in poverty for the elderly, with 19 percent of those experiencing such break-ups becoming poor. The absolute numbers of these break-ups are relatively small, however.

Although families with elderly members experiencing a death are more likely to enter poverty than those without a death, the proportion who do so is still very small—only about one and one-half percent. As discussed earlier, we suspect that there may be some problems with the coding of the variable indicating deaths, however, which is currently unedited. Among families with elderly members, a substantially larger proportion—over 4 percent—of those becoming poor in a given month were in families that experienced a death in either the current or immediately previous month. This was virtually the only case in which including those with the event in the previous month as well as those experiencing it in the current month increased the proportion becoming poor. In this case, it probably reflects the fact that income may be recorded for family members even in the month

Table 5

Percentage of Persons in Families
with Occurrences of a Major Life Event
Who Experience a Change in Poverty Status,
by Presence of an Elderly Person in the Family

Event	Total Number of Persons with Event (in Thousands)	Persons with Event Who Become Poor This Month	Persons with Event Who Leave Poverty This Month
Families with Elderly with:			
New Baby	24	6.7	0.2
Death	86	1.4	—
Marriage	11	3.3	3.7
Marital Break-up	63	19.4	—
Job Loss	1,083	10.1	0.7
Job Gain	1,057	0.3	10.5
Families with No Elderly with:			
New Baby	1,234	13.0	1.3
Death	56	0.7	1.7
Marriage	432	6.5	14.0
Marital Break-up	384	23.6	2.6
Job Loss	10,821	17.3	1.0
Job Gain	12,135	1.4	16.7

Source: Calculated from the Survey of Income and Program Participation. Figures shown are averages for the months Sept. 1983 through Dec. 1984. See text for definitions of events and populations shown.

in which they die, so the full impacts of many deaths may not be felt until the next month.

Overall, the only event associated with leaving poverty for families with elderly members was employment. Although over 10 percent of those in families with elderly which included a job gainer left poverty in the same month, members of such families were only about half as likely to be job gainers as were those in families with no elderly. Overall, the data shown in Table 5 confirm the view that, although the elderly are somewhat less likely to enter poverty as the result of the types of events discussed in this paper, once they become poor they are much more likely to remain that way.

Conclusion

In conclusion, this paper has found significant correlations between the life events examined and transitions into and out of poverty. Overall, about half of the transitions observed occur in the same month as one of the six events examined. Job losses and job gains account for the vast majority of these transition-related events, but this is largely because such events are much more common, both among those making transitions and among those remaining in the same poverty status, than are the demographic events considered.

Certain demographic events are also very likely to be associated with poverty transitions. Perhaps most notably, 23 percent of those experiencing a marital break-up, and 13 percent of those in families with a new baby, become poor in the month in which the event occurred. By comparison, a job loss is associated with entry into poverty for about 17 percent of those in families with such losses. Job gains and marriages

account for almost the same percentage of exits from poverty—16 percent and 14 percent, respectively—for those whose families experience them.

Although our findings so far indicate a strong association between experiencing one of these events and entering or leaving poverty, we believe that much further research in this area could fruitfully be done. For example, we have yet to explore the duration of poverty spells, and its association with specific entry and exit events. Further, it would be interesting to examine more closely those who experience important events and do not have a change in poverty status in the same month—it seems likely that at least in some cases the impacts of the event may be slightly delayed, resulting in a change in poverty status a few months later. We hope to consider some of these topics in our future research.

Appendix Table A1.

WEIGHTED SIPP POPULATION CONTROL TOTALS BY MONTH (WITH CELL COUNTS)

MONTH	YEAR	CELL COUNTS % OF POP	SIPP POP	NOT POOR	POOR	NEW POOR	New Not Poor
SEPTEMBER	1963	CELL COUNTS % OF POP	230830654. (52759)	194424225. (44366) 84.23	36406428. (8393) 15.77	(0) (0)	(0) (0)
OCTOBER	1963	CELL COUNTS % OF POP	231043081. (52331)	193834437. (43863) 83.90	37208644. (8468) 16.10	5412797. (1207)	4415554. (1002)
NOVEMBER	1963	CELL COUNTS % OF POP	231231553. (52222)	195206105. (44051) 84.45	35945449. (8171) 15.55	4399012. (1004)	5525019. (1220)
DECEMBER	1963	CELL COUNTS % OF POP	231343321. (52072)	195254499. (43891) 84.40	3608822. (8181) 15.60	5905628. (1317)	5429795. (1200)
JANUARY	1964	CELL COUNTS % OF POP	231742554. (51982)	194516729. (43535) 83.94	37225825. (8447)	6481072. (1524)	5023662. (1145)
FEBRUARY	1964	CELL COUNTS % OF POP	231851114. (51884)	196685839. (43918) 84.83	35165275. (7966) 15.17	4275016. (986)	5576873. (1263)
MARCH	1964	CELL COUNTS % OF POP	232008746. (51614)	197840630. (43961) 85.27	34168116. (7653) 14.73	4632718. (1042)	5215653. (1190)
APRIL	1964	CELL COUNTS % OF POP	232176787. (51262)	197426165. (43529) 85.03	34750622. (7733) 14.97	5179735. (1184)	3861958. (877)
MAY	1964	CELL COUNTS % OF POP	232309658. (50803)	199449836. (43562) 85.86	32859822. (7241) 14.14	3975583. (929)	5413122. (1203)
JUNE	1964	CELL COUNTS % OF POP	232556770. (50599)	199773321. (43406) 85.90	32783449. (7193) 14.10	5301410. (1200)	4736287. (1062)
JULY	1964	CELL COUNTS % OF POP	232652094. (50350)	199489671. (43095) 85.75	33162424. (7255) 14.25	5491114. (1235)	4607323. (1009)
AUGUST	1964	CELL COUNTS % OF POP	232871996. (50104)	201262261. (43207) 86.43	31609735. (6897) 13.57	4938371. (1133)	5814777. (1269)
SEPTEMBER	1964	CELL COUNTS % OF POP	233102122. (49981)	199739853. (42734) 85.69	33362268. (7247) 14.31	6865826. (1548)	4442895. (996)
OCTOBER	1964	CELL COUNTS % OF POP	233276848. (49903)	200285318. (42779) 85.86	32991530. (7124) 14.14	4811177. (1048)	4476152. (998)
NOVEMBER	1964	CELL COUNTS % OF POP	233470397. (47709)	200295157. (40894) 85.79	33175240. (6815) 14.21	5411605. (1095)	4470804. (920)
DECEMBER	1964	CELL COUNTS % OF POP	233601700. (45679)	199730527. (38956) 85.50	33871173. (6673) 14.50	5507291. (1083)	3963660. (768)
AVERAGE MONTH		% OF POP	232254337.	197830911. 85.18	34423426. 14.82	4911772. 2.11	4560846. 1.96

SIPP IMPUTATION PROGRAM

POPULATION COUNTS

Table A2. WEIGHTED COUNT OF PERSONS IN FAMILIES EXPERIENCING EACH TYPE OF EVENT, FOR FAMILIES WHICH ARE POOR

MONTH	YEAR	NEW_BABY	DEATH	MARRIAGE	MARITAL Break-up	Job Gain	Job Loss
OCTOBER	1983	48756. (10)	0. (0)	25952. (6)	31080. (7)	1397662. (307)	3177469. (695)
	% OF POP	0.13	0.00	0.07	0.08	3.76	8.54
NOVEMBER	1983	245335. (50)	0. (0)	5487. (2)	107843. (26)	1333650. (296)	2981344. (671)
	% OF POP	0.68	0.00	0.02	0.30	3.71	8.29
DECEMBER	1983	250653. (57)	7935. (2)	38253. (9)	41205. (15)	1154660. (258)	3458978. (774)
	% OF POP	0.69	0.02	0.11	0.11	3.20	9.58
JANUARY	1984	448624. (109)	70216. (15)	101192. (40)	49354. (12)	1108430. (247)	3717504. (845)
	% OF POP	1.21	0.19	0.27	0.13	2.98	9.99
FEBRUARY	1984	345003. (84)	49978. (12)	51152. (16)	133311. (27)	1292389. (301)	2455287. (558)
	% OF POP	0.98	0.14	0.15	0.38	3.68	6.98
MARCH	1984	385550. (90)	8880. (2)	45881. (18)	64338. (16)	1170948. (284)	2188525. (484)
	% OF POP	1.13	0.03	0.13	0.19	3.43	6.41
APRIL	1984	407352. (91)	64359. (15)	101027. (26)	172158. (39)	1123916. (244)	2513700. (555)
	% OF POP	1.17	0.19	0.29	0.50	3.23	7.23
MAY	1984	405456. (83)	0. (0)	42181. (14)	129417. (37)	1317842. (310)	2654762. (604)
	% OF POP	1.23	0.00	0.13	0.39	4.01	8.08
JUNE	1984	295679. (73)	21330. (6)	76039. (21)	219265. (43)	1539980. (346)	2702689. (625)
	% OF POP	0.90	0.07	0.23	0.67	4.70	8.24
JULY	1984	360005. (93)	3928. (1)	61021. (23)	221915. (51)	1643030. (369)	3207747. (721)
	% OF POP	1.09	0.01	0.18	0.67	4.95	9.67
AUGUST	1984	554109. (132)	0. (0)	78359. (28)	233990. (49)	1411166. (309)	3173437. (700)
	% OF POP	1.75	0.00	0.25	0.74	4.46	10.04
SEPTEMBER	1984	391796. (94)	4046. (1)	56645. (21)	131075. (30)	1437815. (322)	4144746. (918)
	% OF POP	1.17	0.01	0.17	0.39	4.31	12.42
OCTOBER	1984	325073. (68)	11636. (2)	119370. (35)	114393. (22)	1532364. (341)	2890127. (635)
	% OF POP	0.99	0.04	0.36	0.35	4.64	8.76
NOVEMBER	1984	453617. (101)	26218. (6)	23472. (6)	161859. (33)	1403890. (289)	3078265. (601)
	% OF POP	1.37	0.08	0.07	0.49	4.23	9.28
DECEMBER	1984	377113. (77)	13903. (3)	86598. (23)	175463. (32)	1023906. (206)	2925172. (580)
	% OF POP	1.11	0.04	0.26	0.52	3.02	8.64
AVERAGE MONTH	% OF POP	352941. 1.03	18829. 0.05	60842. 0.18	132445. 0.38	1326110. 3.85	3017983. 8.77

SIPP IMPUTATION PROGRAM

POPULATION COUNTS

Table A3. WEIGHTED COUNT OF PERSONS IN FAMILIES EXPERIENCING EACH TYPE OF EVENT, FOR FAMILIES WHICH ARE NOT POOR

MONTH	YEAR	NEW_BABY	DEATH	MARRIAGE	MARITAL BREAK-UP	JOB GAIN	JOB LOSS
OCTOBER	1983	79299. (19)	17006. (4)	51205. (13)	24659. (6)	11594869. (2645)	9045747. (2052)
	% OF POP	0.04	0.01	0.03	0.01	5.98	4.67
NOVEMBER	1983	229769. (51)	58666. (12)	195534. (65)	170972. (44)	10691376. (2441)	7431254. (1656)
	% OF POP	0.12	0.03	0.10	0.09	5.47	3.81
DECEMBER	1983	293456. (75)	110550. (23)	228886. (79)	150442. (36)	10267068. (2316)	9373046. (2135)
	% OF POP	0.15	0.06	0.12	0.08	5.26	4.80
JANUARY	1984	837421. (215)	390243. (89)	194262. (69)	303171. (72)	11236230. (2556)	9668799. (2205)
	% OF POP	0.43	0.20	0.10	0.16	5.78	4.97
FEBRUARY	1984	852334. (188)	267503. (48)	240382. (102)	288407. (69)	11634768. (2679)	6748452. (1581)
	% OF POP	0.43	0.14	0.12	0.15	5.92	3.43
MARCH	1984	1016277. (252)	210152. (44)	332479. (111)	288993. (78)	11271428. (2558)	6682247. (1533)
	% OF POP	0.51	0.11	0.17	0.15	5.70	3.38
APRIL	1984	951810. (185)	92252. (21)	390859. (133)	369289. (91)	10145032. (2333)	6597064. (1527)
	% OF POP	0.48	0.05	0.20	0.19	5.14	3.34
MAY	1984	1016723. (247)	114934. (26)	436088. (158)	268688. (68)	13334359. (3048)	7210433. (1617)
	% OF POP	0.51	0.06	0.22	0.13	6.69	3.62
JUNE	1984	1031382. (228)	96350. (20)	575994. (202)	342056. (83)	16329393. (3676)	10043686. (2238)
	% OF POP	0.52	0.05	0.29	0.17	8.17	5.03
JULY	1984	891237. (210)	70764. (15)	606554. (206)	506272. (110)	13000981. (2862)	10578097. (2349)
	% OF POP	0.45	0.04	0.30	0.25	6.52	5.30
AUGUST	1984	1254749. (264)	115120. (26)	563697. (186)	279646. (71)	13173171. (2900)	11307966. (2500)
	% OF POP	0.62	0.06	0.28	0.14	6.55	5.62
SEPTEMBER	1984	1273780. (285)	101661. (23)	610497. (201)	624051. (167)	14191410. (3211)	14334698. (3213)
	% OF POP	0.64	0.05	0.31	0.31	7.10	7.18
OCTOBER	1984	1052107. (228)	44176. (10)	425244. (152)	445910. (91)	11336231. (2533)	7811221. (1771)
	% OF POP	0.53	0.02	0.21	0.22	5.66	3.90
NOVEMBER	1984	1502892. (283)	82106. (15)	411422. (137)	284092. (72)	9788771. (1978)	7640020. (1567)
	% OF POP	0.75	0.04	0.21	0.14	4.89	3.81
DECEMBER	1984	1290210. (293)	76120. (13)	479484. (140)	370682. (76)	9991837. (1968)	8813714. (1754)
	% OF POP	0.65	0.04	0.24	0.19	5.00	4.41
AVERAGE MONTH		904896.	123174.	362846.	314489.	11865795.	8885763.
	% OF POP	0.46	0.06	0.19	0.16	6.00	4.49

SIPP IMPUTATION PROGRAM

POPULATION COUNTS

Table A4. WEIGHTED COUNT OF PERSONS IN FAMILIES EXPERIENCING EACH TYPE OF EVENT, FOR FAMILIES WHICH ARE NEW POOR

MONTH	YEAR	NEW_BABY	DEATH	MARRIAGE	Marital		Job Gain	Job Loss
					Break-up	Job Loss		
OCTOBER	1983	24349	0	12918	31080	126922	2048851	
	CELL COUNTS	(4)	(0)	(3)	(7)	(30)	(447)	
NOVEMBER	1983	0.45	0.00	0.24	0.57	2.34	37.85	
	% OF POP	132798	0	5487	41014	42959	1929419	
DECEMBER	1983	3.02	0.00	0.12	0.93	0.98	43.86	
	% OF POP	102141	0	3991	37433	150522	2294959	
JANUARY	1984	1.73	0.00	0.07	0.63	2.55	38.86	
	% OF POP	181622	0	32532	36444	181289	2627105	
FEBRUARY	1984	2.80	0.00	0.50	0.56	2.80	40.54	
	% OF POP	189915	17972	34547	115005	165281	1655151	
MARCH	1984	4.44	0.42	0.81	2.69	3.63	38.72	
	% OF POP	172165	0	29711	43958	133879	1335592	
APRIL	1984	3.72	0.00	0.64	0.95	2.89	28.83	
	% OF POP	232334	0	30156	106912	200347	1806548	
MAY	1984	4.49	0.00	0.58	2.06	3.67	34.88	
	% OF POP	151102	0	17523	104828	270753	1709898	
JUNE	1984	3.80	0.00	0.44	2.69	6.81	43.01	
	% OF POP	103142	0	55209	201029	214926	1650066	
JULY	1984	1.95	0.00	1.04	3.79	4.05	31.13	
	% OF POP	157021	3928	29227	190698	173319	2382642	
AUGUST	1984	2.86	0.07	0.53	3.47	3.16	43.39	
	% OF POP	274872	0	50149	204942	232882	2071055	
SEPTEMBER	1984	5.57	0.00	1.02	4.15	4.72	41.94	
	% OF POP	204707	0	18100	125498	214772	2623364	
OCTOBER	1984	2.98	0.00	0.26	1.83	3.13	38.21	
	% OF POP	142268	0	36365	101278	186021	1826788	
NOVEMBER	1984	2.96	0.00	0.76	2.11	3.87	37.97	
	% OF POP	166073	1922	21057	74301	150445	1996287	
DECEMBER	1984	3.07	0.04	0.39	1.37	2.78	36.89	
	% OF POP	195981	0	52177	128605	119190	1750744	
AVERAGE MONTH	% OF POP	3.56	0.00	0.95	2.34	2.16	31.79	
	% OF POP	162033	1588	28610	103002	170234	1980565	
		3.30	0.03	0.50	2.10	3.47	40.32	

SIPP IMPUTATION PROGRAM

POPULATION COUNTS

Table A5. WEIGHTED COUNT OF PERSONS IN FAMILIES EXPERIENCING EACH TYPE OF EVENT, FOR FAMILIES WHICH ARE NEW NOT POOR

MONTH	YEAR	NEW_BABY	DEATH	Marital			Job Gain	Job Loss
				Marriage	Break-up			
OCTOBER	1983	0.	0.	11589.	0.	2204920.	327254.	
	CELL COUNTS % OF POP	(0) (0)	(0) (0)	(3) (3)	(0) (0)	(494) (494)	(70) (70)	
NOVEMBER	1983	10027.	0.00	29979.	0.00	49.94	7.41	
	CELL COUNTS % OF POP	(2) (2)	(0) (0)	(7) (7)	(1) (1)	2182748. (480)	40064. (10)	
DECEMBER	1983	0.16	0.00	29524.	0.09	39.51	0.73	
	CELL COUNTS % OF POP	(0) (0)	(0) (0)	(10) (10)	(0) (0)	1905617. (413)	67221. (21)	
JANUARY	1984	14865.	0.00	13834.	0.00	35.10	1.61	
	CELL COUNTS % OF POP	(6) (6)	(0) (0)	(4) (4)	(0) (0)	2432874. (554)	37102. (8)	
FEBRUARY	1984	0.30	0.00	36284.	0.00	48.43	0.74	
	CELL COUNTS % OF POP	(2) (2)	(0) (0)	(13) (13)	(5) (5)	248897. (564)	144446. (31)	
MARCH	1984	4737.	0.00	60008.	0.40	44.63	2.59	
	CELL COUNTS % OF POP	(1) (1)	(0) (0)	(16) (16)	(5) (5)	2360780. (527)	118801. (28)	
APRIL	1984	0.09	0.00	92177.	0.26	45.26	2.28	
	CELL COUNTS % OF POP	(15) (15)	(0) (0)	(25) (25)	(3) (3)	1089363. (429)	85137. (19)	
MAY	1984	1.53	0.00	57020.	0.28	48.92	2.20	
	CELL COUNTS % OF POP	(9) (9)	(3) (3)	(20) (20)	(9) (9)	2549712. (577)	57632. (16)	
JUNE	1984	0.55	0.26	72507.	0.73	47.10	1.06	
	CELL COUNTS % OF POP	(4) (4)	(0) (0)	(25) (25)	(1) (1)	2172675. (481)	113279. (26)	
JULY	1984	0.34	0.00	30508.	0.06	45.87	2.39	
	CELL COUNTS % OF POP	(2) (2)	(0) (0)	(10) (10)	(4) (4)	2170009. (473)	45854. (12)	
AUGUST	1984	0.05	0.00	164549.	0.23	47.10	1.00	
	CELL COUNTS % OF POP	(0) (0)	(0) (0)	(42) (42)	(2) (2)	2163119. (479)	167972. (40)	
SEPTEMBER	1984	0.00	0.00	65936.	0.20	37.20	2.89	
	CELL COUNTS % OF POP	(6) (6)	(0) (0)	(21) (21)	(7) (7)	2558107. (570)	221697. (48)	
OCTOBER	1984	0.37	0.00	78499.	0.65	57.58	4.99	
	CELL COUNTS % OF POP	(1) (1)	(0) (0)	(26) (26)	(0) (0)	1661480. (374)	130528. (32)	
NOVEMBER	1984	0.02	0.00	85277.	0.00	37.12	2.92	
	CELL COUNTS % OF POP	(20) (20)	(0) (0)	(23) (23)	(1) (1)	1686748. (352)	94093. (20)	
DECEMBER	1984	1.68	0.00	84574.	0.14	37.73	2.10	
	CELL COUNTS % OF POP	(3) (3)	(0) (0)	(23) (23)	(0) (0)	1582438. (311)	114451. (24)	
AVERAGE MONTH		16251.	949.	60816.	10065.	2133966.	119035.	
% OF POP		0.36	0.02	1.33	0.22	46.79	2.61	