Prospects for Job-Matching in the Welfare-to-Work Transition

Labor Market Capacity for Sustaining the Absorption of Mississippi’s TANF Recipients

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Published by the Southern Rural Development Center at Mississippi State University and the Center for Applied Research at Mississippi College.
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Introduction

When the U.S. Congress passed the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), it made a far-reaching change in the elimination of entitlement programs to many individuals falling below the official poverty line. The Temporary Assistance for Needy Families (TANF) Block Grant Program, for instance, replaced the AFDC program to make welfare more of a transitory "safety-net" and to facilitate the movement of adult family members from welfare beneficiary lists to employment rolls. One of the key provisions of the PRWORA is the welfare-to-work transition and it constitutes a central focus in research on the welfare reform movement. The 1996 Welfare Reform legislation institutes a maximum 60-month "lifetime" benefit window for TANF block-grant recipients, involving TANF beneficiaries actually finding paid employment somewhere in the existing labor force. This welfare-to-work transition constitutes the most important element of the welfare reform initiative among states in the United States because it reflects the most tenuous element of the "social contract" set by Congress in legitimating the PRWORA.

As a state, Mississippi has a large proportion of its population falling beneath the official poverty line. Recent estimates by the Bureau of the Census show that in 1993, Mississippi had almost one-fourth (24.6 percent) of its population in poverty [12]. With the exception of Louisiana (23.9 percent), the statistic for Mississippi is substantially higher than surrounding states in the region. Moreover, there is a higher proportion of working-age (16-64) adults with work disabilities in the state than others in the region [13]. Mississippi has 14.3 percent with a work disability while the national average is 10.4 percent. Thus, Mississippi suffers greatly by comparison to its neighboring states in terms of the share of its population who are poor and who have physical disabilities making them unable to successfully hold employment. Very little is known about the capacity of local labor markets in Mississippi to "absorb" people who are scheduled to move from being an entitled beneficiary of a government welfare program, like AFDC/TANF, to being actively engaged in paid employment [14]. The work reviewed below effectively shows little about rural areas of the United States and how rural labor markets can "absorb" former welfare beneficiaries because these studies are based either on national, state-level, or MSA-specific research sites. Since rural America is changing in terms of its pattern of development toward suburbanization and more complex forms of social ecology [8], researchers do not know how much urban areas will "influence" rural labor markets in the welfare-to-work venture.

Purpose of Study

As part of a larger study, three key aspects of the transition-to-work portion of welfare reform in Mississippi are examined and related to the potentially uneven realization of sustainability that may be associated with the rural-urban continuum. Using USDA's recent taxonomy of urban influence for Mississippi counties, this report

- Examines prospects for local labor markets to "absorb" 1996 TANF recipients by "matching" their current educational credentials to the projected growth in jobs within specific minimum educational levels over a five-year period from 1997 to 2002. This builds on previous work [14] which documented dramatic spatial variation in the crude "absorption capacity" of labor market areas in Mississippi to handle these TANF recipients
- Identifies child care facilities in each county within the labor market area and plots their spatial distributions to ascertain the relative availability of these services for TANF recipients, as a part of sustaining the transition to work

Labor Market Capacity for Sustaining the Absorption of Mississippi's TANF Recipients
Examines the availability of private automobiles at the household-level within counties as a proxy for the availability of transportation, as part of sustaining the transition to work. The spatial proximity of households to major road and highway systems is likely to be an effective indicator of "transportation access" in a rural-oriented state such as Mississippi.

Review of Literature

A Regional Context on the Rural South

The shifts occurring in the public assistance programs in the United States are creating significant challenges for rural America. But, the region of the country that stands to be especially affected is the rural South. Simple demographics prove to be a key factor in why this is so [22, 24]. The South remains home to the largest number of nonmetropolitan residents. More than 22 million people are rural Southerners, constituting 45 percent of the country's nonmetro population. But, beyond demographics, the socioeconomic complexion of the region dictates an urgency to give focus to this region. With the onset of TANF, for example, expectations are that people and communities of the rural South will be hard pressed to meet the major challenges associated with fully implementing this joint federal-state program. Because welfare dependency, poverty, unemployment, and underemployment are highest in this region [6, 9, 10], the capacity of the region's rural local labor markets to create enough decent-paying jobs to facilitate the movement of welfare recipients into the marketplace appears problematic [21]. Further aggravating the situation are the limited human capital endowments possessed by many rural Southerners. Because the rural South leads the nation in the number of poorly educated workers, TANF recipients—who tend, on the average, to have low levels of educational attainment and limited work skills—are likely to experience significant competition for jobs among the large cadre of non-welfare workers with limited education who live in the rural South [19].

Adding to the urgency of addressing welfare reform issues in the rural South is the existence of significant racial diversity in this region [24]. Of the 4.8 million African-Americans who reside in country's nonmetropolitan areas, more than 91 percent live in the nonmetro South. As such, racial diversity has been an integral component of the social fabric of the rural South for decades and has presented serious challenges to the region. The majority of jobs filled by blacks, for instance, continue to be among the more marginal ones in terms of job conditions and wage rates. Furthermore, industrial development activities have tended to shy away from localities having stable percentages of African-American residents. No doubt, rural local communities with racially diverse populations will continue to face significant hurdles in their attempts to develop equitable responses to the challenges of moving welfare recipients into the workforce.

Mississippi: Among the Nation's Most Rural and Impoverished

In many respects, the conditions characterizing rural areas of the South are matched, and at times are more severe, in the rural localities of Mississippi. Mississippi represents the second most rural state in the nation with nearly 67 percent of its population classified as nonmetro in 1996-97, according to a combined average of the 1996 and 1997 CPS nonmetropolitan estimates of population for Mississippi. In addition, Mississippi is among the poorest states in the nation with one-in-four rural people living in poverty. Most striking is the fact that among the nation's poor nonmetro African-Americans, some 20 percent are residents of Mississippi [20].

Given its high ranking on rurality and poverty status, it should be no surprise that Mississippians in general, and its rural residents in particular, have heavy proportional dependence on public assistance programs relative to the region as a whole. Specific data to support this overview are presented in Figure 1. Relative to nonmetro and metro areas of the South, the use of Aid to Families with Dependent Children (AFDC), the precursor to TANF, was highest in nonmetro households in Mississippi relative to the metro areas of the state or the metro and nonmetro areas of the region. Moreover, nonmetro households in Mississippi were more likely to be dependent on Food Stamps (18 percent), Supplemental Security Income (11.4 percent), and free or reduced school lunch programs (30.7 percent), compared with metro areas of Mississippi or the nonmetro/metro areas of the South. Collectively, these data offer a compelling argument regarding the importance of focusing on rural Mississippi as a site for more fully exploring the critical set of research issues, policy activities, and current or emerging strategies that play out in rural America with regard to the welfare to work provisions of TANF.

Attempts to Assess Prospects for the Welfare-to-Work Transition

There is a growing recognition that the welfare-to-work transition reflects a pivotal issue determining the success of the welfare reform initiative. There are now several research studies or programs of studies that provide some insight about both the prospects for AFDC/TANF beneficiaries finding employment in the paid labor force and how the local economy's performance will affect TANF caseloads. Below, some of these efforts are reviewed with a perspective toward informing this study of the prospects that TANF beneficiaries in Mississippi face as they negotiate the welfare-to-work transition.

The book by Rebecca M. Blank, It Takes A Nation: A New Agenda for Fighting Poverty [2], directly assesses the presumed effect that economic growth "trickle-down economics" has on the reduction of poverty. She demonstrates that the tremendous increase for the United States in the per-capita Gross Domestic Product (GDP) during the past 30 years occurred at a time when the poverty rate declined dramatically. However, in inflation-adjusted (real) terms, the poverty rate should have fallen far more than it actually did. This is a reflection of the actual decline in wage rates among the poorest 10 percent of workers. Thus, economic expansion does not necessarily create better-paying jobs for all sectors of the population. By the 1990s, this situation seemed even bleaker in outlook as poverty rates continued to rise after the 1991 recession. She argues that the policy lowering of wage rates during the 1990s among the poorest section of the population—and those most likely to receive public assistance benefits such Food Stamps and AFDC/TANF—indicates that the public policy of reliance on economic growth as a means for reducing poverty and the demand for public assistance is not effective. In essence, the "increases in the overall economy are offset by the falling wages among less-skilled workers" [2]. Blank's work has given rise to a growing body of studies which attempt to model the more precise connection between economic fluctuations and AFDC/TANF caseloads [3, 4, 5, 18, 25] as well as Food Stamp Program participation [15, 4].

While the concern over what drives the public assistance caseloads and, specifically, how the economy may shape or determine them, is an avenue of important inquiry, the more important issue for this study is the extent to which TANF beneficiaries scheduled to move off of this program face prospects of employment in their local labor market. The so-called capacity of local labor markets to successfully "absorb" former TANF recipients is perhaps the pivotal issue within the 1996 welfare reform legislation.

Work focusing on the Cleveland, Ohio, metropolitan area by Leete and colleagues is particularly insightful as they have perhaps articulated many of the theoretical and practical issues surrounding the capacity for local labor markets to accommodate individuals receiving TANF benefits [17]. However, it is
important to note that this study is distinctly urban in its locale and reflects results that may not be generalizable to rural, nonmetropolitan areas of the U.S.

In evaluating the demand for jobs created by almost 20,000 former AFDC recipients entering the labor market in the Cleveland-Akron MSA, they focused only on "low-skill" jobs. Leete and Bania [17] estimate that there will be an additional 147.9 percent growth in low-skill job openings required to meet the needs of those formerly on AFDC. Since more than 90 percent of those beneficiaries are women, the "gendered" nature of occupational employment patterns in that metro area suggests that the available job openings which are typically accessible to women would require an additional 189 percent of low-skill positions. In essence, this study finds the Cleveland-Akron MSA will need a doubling or tripling of low-skill job openings over the successive year.

In a separate analysis of the same study area, Leete et al. [16] examined the degree of spatial "mismatch" between the location of job openings around the Cleveland MSA and AFDC beneficiaries. They first geocoded a sample of 2,000 of the 37,688 people receiving benefits in Cuyahoga County, Ohio, during 1995 to allocate them to census tracts. Then, these tracts were identified further by the ratio of long-term to short-term welfare recipients to typify the census tracts as neighborhoods that would be most affected by welfare reform. In addition, they tried to estimate the number and location of jobs with various levels of low-skill requirements based upon a creative use of microdata from the Census Bureau's PUMS 5 percent sample. They identified entry-level occupations, requiring 11-12 years of schooling and less than 6 months of job-specific training; short-term training occupations, requiring high school education and 6-12 months of additional training; and long-term training occupations, requiring from 1-2 years of post-secondary education and/or training.

Leete et al. made projections of annual openings by occupation and skill level for 1991-2000 using various data sources and linked them to 5-digit zip codes within the Cleveland-Akron MSA. They added the average public transportation commute times and the location of housing estimated to be affordable by former AFDC recipients in proximity to available job openings over the succeeding several years.

Their key findings from these estimates were that AFDC recipients were highly concentrated into spatially distinct inner-city locations in the Cleveland metropolitan area. Supporting the "spatial mismatch" hypothesis, most of the projected low-skill job growth is likely to be in the suburban fringes of the metropolitan area. Moreover, most of those suburban jobs are inaccessible to them via public transportation because only 8-15 percent of these jobs are within the 20-minute commute time used to define "accessible" jobs by the authors. To indicate how spatially concentrated these low-skill job openings are likely to be, Leete et al. [17] estimate that four suburban job clusters contain 30 percent of the total job openings in the Cleveland-Akron MSA. The findings regarding affordable housing within proximity to these projected job openings was even bleaker. The ratio of affordable housing units within the specified commuting distance in the outer suburbs, where the vast majority of the projected low-skill jobs will be, is only 1 to 6. This indicates that there is only a single affordable housing unit for every six low-skill job openings in the suburbs.

The work Leete and Bania [16] continue reflecting some important research into the capacity of a local labor market to accommodate AFDC/TANF recipients who must find employment. Because their work is solely focused on in-depth investigations of a single metropolitan area, it does not tell us about other metro areas or of the nature of the welfare-to-work transition in nonmetropolitan sections of the United States. Following is the only study known to the authors that focuses on specific local labor market areas that includes both metropolitan and rural areas.

Propects for Job-Matching in the Welfare-to-Work Transition

Examiining Mississippi's Labor Market Capacity

A recent study by Frank Howell [11] at Mississippi State University focused on the central question of the welfare-to-work transition—"What is the capacity of local labor markets in Mississippi to "absorb" persons who are scheduled to move from being an entitled beneficiary of a government welfare program, like AFDC/TANF, to being actively engaged in paid employment?" Employing data on the peak (monthly) number of 1996 adult AFDC recipients by county, Howell examined the prospects that TANF participants would face in making the transition to paid employment based on the estimated total job growth in their local labor market. The total number of AFDC recipients was adjusted downward using 1990 estimates of work disability by county from the U.S. Bureau of the Census and modified to reflect those work-disabled persons likely to receive AFDC benefits. This adjusted number of AFDC recipients represents the potential number of the "newly unemployed" who would be seeking jobs in their local areas. Using proprietary data on employment and job growth from Woods & Poole Economics Inc., the adjusted number of 1996 AFDC recipients was divided by the projected job growth over the following three year period (1996-1999). This ratio yields an "absorption index" of the local labor market's capacity to incorporate AFDC recipients into the paid labor force, amortized over a three-year transition period. Because actual labor markets are not fully encompassed by county boundaries, this ratio was recalculated for labor market areas (LMAs) in Mississippi. The labor market area index comes closer to reflecting the local area's ability to generate job growth to match the requirements of the new welfare program. His results involving the "absorption index" are shown in Figure 2, depicting the labor market areas in Mississippi.

Within each labor market area, counties vary widely in the ratio of AFDC recipients to projected job growth. However, given that labor markets are comprised of commuting zones where many workers tend to travel daily from one county to the next, it makes sense to examine the "absorption index" for the labor market as a whole. Figure 2 illustrates how this absorption index varies for each LMA in Mississippi. The results show that AFDC recipients face the bleakest outlook in the Delta where there will be more than two AFDC recipients per new job. This is largely because of the projected lack of employment growth in this LMA for the period 1996-99. On the other extreme, there are several LMAs where the ratio is more than two jobs per AFDC recipient. These involve labor markets around Tupelo and Memphis, on the Gulf Coast surrounding Gulfport-Biloxi, and in the Laurel area. Labor markets where the estimated absorption capacity just about matches the adjusted number of AFDC recipients (i.e., index approximately 1.0) include a geographic band running southwest from Coahoma County through Grenada and the Golden Triangle to Meridian, a large portion of the state. The remaining classification involves LMAs where there are about 1.5 AFDC recipients per new job. There is one LMA falling into this category—the Vicksburg-Natchez area.

This exploration of the capacity of Mississippi labor markets to generate new jobs that spatially coincide with the anticipated need to move adults from welfare rolls into paid employment is, at this point, exploratory. It uses projected employment that, while historically fairly accurate, may not prove so over the period considered. The method is "optimistic" in the sense that it only examines the crude ratio of one year of AFDC recipients to projections of total employment growth, without taking into account the matching of job requirements to persons seeking employment. Additionally, the Mississippi Department of Human Services indicates that 1997 and 1998 monthly TANF caseload reports showed a decidedly downward trend in the number of beneficiaries. Moreover, this report only deals with one program in the overall welfare system. More careful study of these and related issues is certainly needed as the process of welfare reform unfolds in one of the poorest states in the nation.

Labor Market Capacity for Sustaining the Absorption of Mississippi's TANF Recipients
Examining the Urban Influence in Mississippi’s Rural Areas

The labor market research undertaken by Howell [11] offers preliminary evidence that the ability of local labor markets to create enough jobs to facilitate the transition of TANF participants from welfare to work is determined, in part, by their spatial proximity to a metropolitan area. In essence, LMAs that are composed of more remote localities do not appear positioned to successfully absorb TANF recipients into the local labor market area. These early findings argue for the importance and necessity of incorporating spatial factors into any examination of rural welfare to work issues in Mississippi. Integrating spatial features into welfare-to-work research helps demonstrate that "rural" should not be interpreted as a singular concept but as one that is multi-faceted in nature and requires public policy to recognize its spatial pluralism.

A recent typology created by the Economic Research Service/USDA [8] represents a valuable tool for researchers to strengthen their work on how economic opportunities may differ across geographic space. Labeled "the urban influence codes," this typology classifies counties (or their equivalents) and independent cities into nine groups. Metro counties are sub-divided into two categories—large metro and small metro areas. Nonmetro counties are divided into groups on the basis of their proximity to a large or small metro area, and further by the population size of the largest city/town located within it. The distribution of Mississippi’s 82 counties by the nine urban influence codes created by Gheff and Parker are presented in Table 1.

As Figure 3 reveals, Mississippi contains several counties that are designated as rural, and many appear to have little influence exerted on them by large urban areas. Approximately 23 percent of the counties are adjacent to these metro areas, while the remaining 68 percent are not located contiguous to any metro area of the state (see Table 1). Note, too, that Mississippi has only one of the largest metropolitan areas—DeSoto County as part of the Memphis MSA. These figures suggest that Mississippi has many rural areas that are remote from urban centers. As such, these localities will be seriously challenged as they seek to create an economic climate that will facilitate the entry of welfare recipients into the workforce. However, recalling the need to consider the spatial pluralism in rural areas, it is likely that these relatively isolated counties in Mississippi labor markets may vary significantly in their capacity to absorb TANF recipients into the paid labor force. How transportation access may reduce such remoteness vis-a-vis prospective job growth in labor market areas will be discussed in greater detail below. Another obstacle to sustainable welfare-to-work transitions by TANF recipients, available child care, is also examined within Mississippi’s labor market areas in a subsequent section.

Also important in Figure 3 is the spatial articulation of how counties in the state coalesce into labor market areas (LMAs) based upon the routine commuting-zone behavior of employed workers traveling to and from work. The county composition of many of these LMAs is not surprising. The Memphis LMA not only involves DeSoto County, but also Tunica, Tate, Marshall, and Benton counties. The access to Memphis by Interstate 55 and U.S. 78 (also an Interstate-class highway) no doubt conditions the commuting behavior of workers residing in these counties to facilitate their living and working amongst this set of counties. The Delta area, as a known geographic region, is spread across three LMAs, however. The core Delta—Bolivar, Sunflower, Washington, Sharkey and Issaquena counties—comprises a single LMA while Coahoma, Quitman, Tallahatchie, and LeFlore join with others surrounding the cities of Batesville, Grenada, Oxford, and Winona to form another distinct LMA. Similarly, there are distinct labor market areas affiliated with the cities of Corinth, Tupelo, Columbus, Meridian, Laurel, Hattiesburg, Vicksburg, Natchez, Jackson, and Biloxi-Gulfport-Passaicoula. We refer to these LMAs as important entities in the study of the
**Figure 2. Labor Market Absorption During 1996-98 of 1996 AFDC Recipients, Job Growth and AFDC Recipients Aggregated to Labor Market Areas**

**Table 1. Urban Influence Classification of Mississippi Counties**

<table>
<thead>
<tr>
<th>Urban Influence Classification Code</th>
<th>Number of Mississippi Counties</th>
<th>Percent of Mississippi Counties</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Large metropolitan area</td>
<td>1</td>
<td>1.2</td>
</tr>
<tr>
<td>2 Small metropolitan area</td>
<td>6</td>
<td>7.3</td>
</tr>
<tr>
<td>3 Nonmetro county, adjacent to a large metro, with city of 10,000+ residents</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>4 Nonmetro county, adjacent to a large metro, without a city of 10,000+ residents</td>
<td>4</td>
<td>4.9</td>
</tr>
<tr>
<td>5 Nonmetro county, adjacent to a small metro, with a city of 10,000+ residents</td>
<td>3</td>
<td>3.7</td>
</tr>
<tr>
<td>6 Nonmetro county, adjacent to a small metro, without a city of 10,000+ residents</td>
<td>12</td>
<td>14.6</td>
</tr>
<tr>
<td>7 Nonmetro county, not adjacent to a metro area, with own city of 10,000+ residents</td>
<td>17</td>
<td>20.7</td>
</tr>
<tr>
<td>8 Nonmetro county, not adjacent to a metro area, with a city of 2,500-9,999</td>
<td>20</td>
<td>24.4</td>
</tr>
<tr>
<td>9 Nonmetro county, not adjacent to a metro area, with no city containing at least 2,500 residents</td>
<td>19</td>
<td>23.2</td>
</tr>
</tbody>
</table>

Source: Job growth based on data provided by Woods & Pool Inc.

Prospects for Job-Matching in the Welfare-to-Work Transition
welfare-to-work transition because they currently serve as the most likely "job search" areas for non-welfare beneficiaries when they seek to become employed after a job loss. As such, it is the benchmark against which TANF recipients would be expected to search for jobs upon leaving the State's welfare rolls.

Research Methods

Sources of Data

Data for this study come from several different sources—administrative records of the Mississippi Department of Human Services for data on AFDC/TANF caseloads; administrative records from the Mississippi Department of Health for data on licensed child care facilities; and proprietary data obtained from Wessex Inc. on estimates of county-level employment by occupational class for 1997 and projections to 2003. To protect the proprietary nature of these data, no detailed counts from the Wessex data set at the county-level are reported but have been aggregated to the multi-county Labor Market Area (LMA) since an infinite number of combinations of the county-level estimates or projections could sum to the LMA estimate. Other spatial data were obtained from the U.S. Bureau of the Census TIGER database and the ESRI StreetMap street file proprietary database of streets and address ranges for locating physical address locations.

Measurement of Variables

The operational definition of each variable used in this study is described in this section. They are summarized under the following headings:

TANF Caseloads, by Education. The numbers of TANF recipients during the twelve months of 1996 were obtained from the Mississippi Department of Human Services (MSDHS). These data were already aggregated to the county-level and matched to conventional county FIPs codes. We received counts for each month by education-level for adult recipients. Using the "peak-month" monthly count for each county so that we were examining the maximum potential TANF caseload—a conservative strategy for studying the labor market's capacity to absorb recipients into the labor force—the educational levels were collapsed into three categories:

- Less than high school;
- High school only; and
- Post-secondary school (including baccalaureate degrees or above).

Occupational Groupings. Data on estimates and projections of employment by major occupational class were obtained from Wessex Inc.'s proprietary database. While it would be ideal to have detailed occupational classifications, such as the three-digit Standard Occupational Classification used extensively by the Bureau of the Census or those found in the Occupational Outlook Handbook from the Department of Labor, such data in public-use form are not available. The use of proprietary county-level data from Wessex Inc. on major occupational groupings, aggregated to the LMA-level to avoid disclosures, seemed the optimal source of information for this study. The major classes were collapsed to represent:

- "white-collar" jobs, comprising executives, professionals, technical, and sales;
- "skilled-worker" jobs, comprising clerical, protective services, production workers, and other services; and
- "unskilled-worker" jobs, comprising operators, materials handlers, unskilled laborers, and private household workers.

While this classification scheme is by no means without debate in terms of how specific occupations can be collapsed to represent these three crude classes of workers, it does provide a beginning through which the "job-matching" process can be examined.

Urban Influence County Code. This classification scheme was developed by the USDA Economic Research Service (ERS) and published in Ghelli and Parker [8]. It is a taxonomy that classifies counties in terms of the level of "urban influence" that typifies the county as of 1990 and contains nine codes. They are:

- large metropolitan areas, having 1 million or more residents;
- small metropolitan areas, having fewer than 1 million residents;
- adjacent to a large metropolitan area with a city of 10,000 or more residents;
- adjacent to a large metropolitan area without a city of 10,000 or more residents;
- adjacent to a small metropolitan area with a city of 10,000 or more residents;
- adjacent to a small metropolitan area without a city of 10,000 or more residents;
- not adjacent to any metropolitan area but with a city of 10,000 or more residents;
- not adjacent to any metropolitan area with the largest city in the county between 2,500 and 9,999 residents; and
- not adjacent to any metropolitan area with the largest city in the county having less than 2,500 residents.

Labor Market Areas (LMAs). Using the concept of "labor market area," spatial coverages of multi-county groups were constructed that comprised the LMAs designated through commuting-zone patterns for 1990 by Tolbert and Killian [23].

Licensed Child Care Facilities. The Mississippi Department of Health maintains a database of child care facilities that are awarded licensed-status under the terms of the state's requirements for licensure. Using the most recent data (1997) for street address locations, each facility was geocoded to latitude and longitude coordinates using ESRI's Streetmap database, a version of GDTS's Dynamap 1000 product [7]. For each facility, the maximum number of children licensed for service, the current number of children enrolled, the typical number of openings for additional children, and the number of employees at the facility, were included into the final geocoded child care data set. These data were summarized at the county and labor market area level in some portions of the analysis.

Households Without Automobiles. The estimated number and proportion of households within each county in 1997 without at least one personal automobile came from the proprietary Wessex Inc. database. No proprietary county-level counts are revealed in this report. Since an infinite number of county-level counts could sum to the labor market area, the number of "no car" households estimated to be at the LMA for 1997 are not used.

Job-Matching Ratio. This is the ratio of TANF recipients in 1996 to the projected job growth over the period 1997-2002. This period matches the 60-month window set forth in the PRWORA for "lifetime" benefits under TANF. The raw job-matching (JM) ratio is the sum of ratios of TANF 1996 recipients to the projected change in jobs during 1997-2002 for the three job classes of unskilled (operators, materials handlers, laborers, private household workers), skilled (clerical, protective services, production workers, other services), and white-collar (executives & managerial, professional, technical, sales) occupations. The

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Results

The purpose of this study resulted in three phases of analysis:

• Estimating the absorption capacity of Mississippi's labor market areas,
• Estimating the availability of quality child care as a sustainable venue for facilitating a successful welfare-to-work transition, and
• Discovering relationship of transportation access to projected job growth and the TANF caseload.

The results of these three sets of analyses are presented below.

Labor Market Capacity for Absorbing Welfare Caseloads

First, the trends in the AFDC/TANF caseload during most of this decade are examined. The series shown in Figure 4 is the monthly AFDC/TANF caseload for persons during the October 1991 through June 1998 period. This series yields a well-defined time-period before the 1996 welfare reform legislation was enacted (1991-1995) while also allowing us to examine the short-term shifts in caseloads since the legislation became public law. The county caseload counts provided by the Mississippi Department of Human Services were aggregated to the Labor Market Area definitions shown in Figure 3. The solid lines, differentiated by color, represent LMAs in which a Metropolitan Statistical Area (MSA) is located while the dashed lines, also differentiated by color, represent the nonmetropolitan LMAs.

This trend analysis reveals several characteristics of the TANF caseload across Mississippi's labor market areas. One, during 1991, there was a very wide differentiation among LMAs in their caseloads. The Jackson LMA far had more TANF recipients than any other labor market, double that of the next closest area, the Greenville LMA. For the beginning of the series (1991), there appear to be three "groups" of LMAs. This includes Jackson; Greenville, Clarkdale, and Biloxi-Gulfport-Pascagoula; and the remaining LMAs. Two, several labor market areas had relatively small numbers of TANF recipients for most of the period. Some of these are located in the northeastern section of the state. The nonmetropolitan LMAs of Corinth and Tupelo are the key examples of these low caseload profile during the entire series. Three, there have been substantial declines in TANF caseloads during this period for all LMAs, with the nominal exception of those already having caseloads nearing the "floor" at the onset of the series. Recall that in 1991, the United States was in a recession and that most of this series is somewhat related to the significant economic growth experienced by the national and state economy [2, 3]. These three characteristics of the TANF caseloads in Mississippi's labor market areas basically reflect the ceiling effects of the Jackson LMA's dramatic declines and the floor effects of the stability in the Tupelo and Corinth LMAs, coupled with the presumed effects of...
a growing economy on secular declines in TANF caseloads. However, these trends also have spatial consequences that this graph does not directly depict.

**Educational Credentials of AFDC/TANF Recipients**

The distribution of 1996 TANF recipients by educational level across Mississippi’s labor market areas is an important aspect that will determine how effectively the welfare-to-work transition will be accomplished. Educational credentials are a critical aspect of human capital and the match between TANF recipients seeking employment and the educational requirements of jobs found in their LMAs is a key element of this transition. Contained in Table 2 is the count of 1996 AFDC/TANF recipients by education level for the thirteen LMAs in the state. These counts are important for understanding the absolute caseloads facing the 60-month lifetime window of assistance. These data are further summarized spatially in Figure 5 that depicts them in a map of the state’s labor markets. In this map, each LMA’s TANF caseload by educational level is expressed as a percentage of the total caseload. This proportional representation of the data informs us about the educational composition of TANF recipients within each LMA.

Table 2 shows that the LMAs of Jackson and Greenville have the largest pool of AFDC recipients (in 1996). One is a metropolitan-based labor market and the other is decidedly nonmetropolitan and in the heart of the Mississippi Delta. These two are followed by the nonmetro Clarksdale LMA (also in the Delta) and the metro Biloxi-Gulfport LMA. The remaining LMAs have fewer total AFDC recipients in 1996. However, contrary to popular opinion about welfare beneficiaries [2], there are significant numbers of AFDC recipients with post-high school education. Using data not shown in this table shows significant numbers of recipients holding college degrees in several of these LMAs.

Figure 5 examines the county composition of AFDC beneficiaries by education level. To be sure, within each LMA, the majority of these welfare recipients have less than a high school education. This is not surprising, given the qualification requirements for AFDC/TANF itself. What is surprising is the number of counties within LMAs that have at least one-fourth of their resident AFDC/TANF caseload consisting of adults with post-secondary educational training. Some of these are near the state’s universities. For instance, Lafayette County, the site of the University of Mississippi at Oxford; Oktibbeha County, the site of the largest university, Mississippi State; and Forest County, the site of the University of Southern Mississippi at Hattiesburg, all fit this pattern. There are other counties in which the post-secondary component reaches one-quarter of the total caseload. Prentiss County has the largest such share at one-third. In Hancock County, the site of the NASA Stennis Space Center, and in nearby Pearl River County, the composition of AFDC/TANF recipients with more than a high school education also reaches 27 percent or better.

Thus, while most welfare recipients during 1996, at least for the AFDC/TANF program, had less than a high school education, these data suggest that there is a significant variation in educational levels among welfare recipients. Moreover, this variation in both the number and the relative share of post-high school recipients occurs along spatial lines. This variation in human capital availability may prove to be an important aspect of the welfare-to-work prospects that Mississippi’s TANF recipients face as they seek employment.

Shown next is the employment, or demand, side of the equation. Characterization of the occupational composition, employment trends, and projected shifts in these 13 Labor Market Areas during the five-year benefit window that the 1996 TANF cohort will face during 1997-2002 is examined.
The Nature and Extent of Occupational Shifts Around LMA\textsuperscript{a}s

Figure 6 contrasts the occupational composition of each LMA through the display of a simple bar chart of white-collar, skilled, and unskilled jobs within each labor market area. These bars reflect absolute numbers of estimated employees by occupational class and, as such, can be visually compared across LMA\textsuperscript{a}s. It is clear that white-collar jobs are concentrated in the most urban centers of the state, particularly in the Jackson LMA. Biloxi-Gulfport-Pascagoula follows Jackson, as does the Memphis Metro LMA, and so forth. These patterns are not unusual and reflect the spatial concentrations in the technical division of labor among occupations. It is worth noting that if the relative share of jobs across Mississippi's labor market areas tends to equalize in terms of typifying an LMA as being "dominated" by either white-collar (e.g., Jackson), skilled (e.g., Biloxi-Gulfport-Pascagoula), or unskilled (e.g., Greenville), this statistical equalization in these 1997 estimates tends to be contrary to what popular opinion holds as "typical" for Mississippi's regions and labor markets. While the Jackson and Biloxi-Gulfport-Pascagoula LMA\textsuperscript{a}s do tend to have about twice as many white-collar and skilled workers as unskilled ones, the remaining LMA\textsuperscript{a}s tend to have a very similar distribution of workers falling into all three categories of jobs. The importance of emphasizing this distribution comes on the heels of finding a surprisingly higher than anticipated number of 1996 AFDC/TANF recipients having post-high school education credentials and the potential connection for "job-matching" outcomes in the welfare-to-work transition.

In Table 3, the employment, unemployment and unemployment rate for 1997, 2002, and the projected change from 1997-2002 is shown by LMA. Comparable statewide estimates are also produced in this table. These summaries show the total employment outlook that can be expected during this welfare-to-work transition. Figure 7 contains a "bubble-map" visualization of the percent growth in total employment from 1997-2002 by Labor Market Area in Mississippi. The employment change variables are obviously important as indicators of new job growth, but the unemployment variables also serve as indicators of the "competition" for those jobs. As the number of unemployed people in the labor force (e.g., seeking employment) increases, there is more potential competition for AFDC/TANF recipients for available jobs.

As can be seen from Figure 7, the growth in total employment from 1997-2002 will be led by the Memphis LMA (although these data only contain the Mississippi counties in the Memphis labor market) at more than 12 percent growth. The Gulf Coast, with the Biloxi-Gulfport-Pascagoula LMA, will follow at about 10 percent growth. The Tupelo LMA comes third in projected employment growth with just below 8 percent. The remaining LMA\textsuperscript{a}s fall somewhat below these optimistic projections. On the less than rosy end of the picture, the Greenville LMA, at 1.82 percent growth, an annualized rate of growth of less than 0.4 percent, stands out as a labor market that is not likely to fare well in "absorbing" former AFDC/TANF recipients due to the sheer lack of net job growth (totaling 869 over the five-year window or 173.8 per year). The increase in the number of unemployed persons (which does not take TANF recipients explicitly into account in their projection) over this period is projected to be 150, or 30 per year. The 3,450 AFDC recipients in 1996 loom in comparison to these net total employment and unemployment statistics, regardless of educational credentials.

The increased competition for welfare recipients arising from the unemployed, estimated independence of the Welfare Reform Act, tends to follow these spatial patterns of actual job growth. Memphis and the Gulf Coast lead the way in the percent increase in the number of unemployed persons seeking jobs at 11.28 percent and 10.67 percent, respectively. The remaining LMA\textsuperscript{a}s, including Greenville, tend to follow suit (see Table 3). While these estimates show the percent change in the number of unemployed persons, the rate of unemployment, also expressed as a percentage, is not likely to change much across Mississippi's

---

Table 2: The Distribution of TANF Recipients by Educational Level for Labor Market Areas in Mississippi

<table>
<thead>
<tr>
<th>Labor Market Area</th>
<th>Metro</th>
</tr>
</thead>
<tbody>
<tr>
<td>Biloxi-Gulfport-Pascagoula</td>
<td>Jackson</td>
</tr>
<tr>
<td>Memphis, Tenn.-Arkansas-Mississippi</td>
<td></td>
</tr>
<tr>
<td>N. MS, Tupelo, Vicksburg</td>
<td></td>
</tr>
<tr>
<td>Total recipients</td>
<td>2,205</td>
</tr>
<tr>
<td>Education</td>
<td>903</td>
</tr>
<tr>
<td>Total</td>
<td>2,560</td>
</tr>
<tr>
<td>Education</td>
<td>1,261</td>
</tr>
<tr>
<td>Total</td>
<td>2,600</td>
</tr>
<tr>
<td>Education</td>
<td>1,289</td>
</tr>
<tr>
<td>Total</td>
<td>2,600</td>
</tr>
<tr>
<td>Education</td>
<td>1,307</td>
</tr>
</tbody>
</table>

Source: Mississippi Department of Human Services and author's calculations.
<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>196,670</td>
<td>16,694</td>
<td>18.7%</td>
<td>8.9%</td>
<td>-34%</td>
<td>17.78%</td>
<td>10.8%</td>
<td>8.6%</td>
<td>-36.5%</td>
</tr>
<tr>
<td>White-Collar, Skilled</td>
<td>75,862</td>
<td>5,798</td>
<td>4.9%</td>
<td>6.4%</td>
<td>-12%</td>
<td>4.85%</td>
<td>5.2%</td>
<td>12.0%</td>
<td>-61.9%</td>
</tr>
<tr>
<td>White-Collar, Unskilled</td>
<td>56,807</td>
<td>6,977</td>
<td>14.8%</td>
<td>11.9%</td>
<td>-22%</td>
<td>8.80%</td>
<td>6.8%</td>
<td>17.0%</td>
<td>-57.7%</td>
</tr>
<tr>
<td>Blue-Collar</td>
<td>64,001</td>
<td>7,929</td>
<td>11.9%</td>
<td>7.5%</td>
<td>-36%</td>
<td>7.98%</td>
<td>10.4%</td>
<td>12.6%</td>
<td>-49%</td>
</tr>
<tr>
<td>Other</td>
<td>20,000</td>
<td>4,000</td>
<td>-36%</td>
<td>20.0%</td>
<td>-50%</td>
<td>8.00%</td>
<td>4.2%</td>
<td>10.0%</td>
<td>-54%</td>
</tr>
</tbody>
</table>

Source: Author's calculations based on proprietary estimates from Wages Inc.

Prospects for Job-Matching in the Welfare-to-Work Transition

LMAs. The only exceptions, and these unfortunately tend to fit an emerging pattern, involve the Memphis, Greenville, and Vicksburg labor markets. Memphis and Vicksburg are likely to see their unemployment rate decline just a bit (-2.31 percent and -3.51 percent, respectively). However, the Greenville LMA is projected to see its unemployment rate increase by 1.85 percent over this five-year period. There are certainly errors associated with any forecast and forecasting method, and these projections may indeed be off the mark, but they tend to coalesce around a pattern for the Greenville LMA that does not present an optimistic outlook for jobs and job growth.

While the projected increases in total employment give an upper-limit to the prospects that former TANF beneficiaries will face, it is likely that the "job-matching" of educational credentials to general requirements by employers will have a more important role in determining job placement in the labor markets across the state. The projections in the net growth of jobs by occupational grouping are shown in Table 4. These include the number of jobs in 1997, 2002, and the percent change over the five-year period among the categories of white-collar, skilled, and unskilled workers. Figure 8 contains a pie-chart map display of the percent growth in these job classes for counties within each LMA. Together, the table and figure summarize an important aspect of the differences across LMAs that vary substantially in their levels of urban influence.

As the results summarized in Table 4 show, there are different patterns of growth projected for white-collar, skilled, and unskilled jobs in Mississippi's labor market areas. These tend to vary by the level of urban influence present within the LMA. First, there are relatively small levels of growth likely to occur in jobs requiring unskilled workers, on the order of 2.44 percent statewide. White-collar and skilled jobs are more likely to grow at more than three times that rate, at 8.28 percent and 7.69 percent respectively. There are some key spatial differences across LMAs in these projected patterns of growth. Some LMAs will likely lose jobs with unskilled requirements. This largely includes just the Greenville LMA, although Columbus (-0.01 percent) and Vicksburg (-0.45 percent) technically have negative growth projects for unskilled workers. For skilled workers, the job growth prospects will be brightest in the Memphis and Biloxi-Gulfport-Pascagoula LMAs as they will grow by 13 percent and 10 percent respectively (see Table 4). For white-collar workers, these same LMAs are projected to grow respectively by 15 percent and 11 percent over the 1997-2002 period. The Tupelo and Hattiesburg labor markets are scheduled to also grow by about 10 percent during this period in white-collar employees.

When the county-to-county variation in the composition of occupation-specific job growth is examined in Figure 8, it also appears that there are key spatial concentrations of growth that may factor into the welfare-to-work equation. For instance, in the Chalkside LMA, much of the county-level growth will be in white-collar jobs whereas for the LMA as a whole, white-collar growth will be on par with that for skilled-workers (about 5 percent). At the same time, there are counties within that LMA which are dominated by either skilled or unskilled growth. Other labor market areas in the state also fit this pattern, such as Greenville, Vicksburg, and Columbus. What this pattern suggests is that there will be growth among these three occupational categories such that it tends to yield a more moderate pattern of growth in these LMAs. However, that is how the labor market concept works, to yield a consolidated pattern of change based upon the daily commuting behaviors of workers traveling to and from their places of employment.

Because it would be difficult to effectively imagine a complete portrait of projected change in the state's labor markets without mention of the industrial structure and organization, estimates of change by major industry also are provided. Summarized in Table 5 is the percent change in employment from 1997-2002 as

Labor Market Capacity for Sustaining the Absorption of Mississippi's TANF Recipients
Table 4. White Collar, Skilled, and Unskilled Jobs in Mississippi Labor Markets, 1997-2002

<table>
<thead>
<tr>
<th></th>
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<th></th>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Biloxi-Gulfport</td>
<td>87,666</td>
<td>87,666</td>
<td>12,110</td>
<td>12,110</td>
<td>28,907</td>
<td>28,907</td>
<td>2.3%</td>
<td>2.3%</td>
<td>2.2%</td>
</tr>
<tr>
<td>Jackson, Hattiesburg</td>
<td>78,050</td>
<td>78,050</td>
<td>10,930</td>
<td>10,930</td>
<td>41,594</td>
<td>41,594</td>
<td>0.8%</td>
<td>0.8%</td>
<td>0.9%</td>
</tr>
<tr>
<td>Shreveport-Bossier</td>
<td>126,021</td>
<td>126,021</td>
<td>22,070</td>
<td>22,070</td>
<td>28,000</td>
<td>28,000</td>
<td>1.3%</td>
<td>1.3%</td>
<td>1.0%</td>
</tr>
<tr>
<td>Natchez-Columbia</td>
<td>28,002</td>
<td>28,002</td>
<td>6,771</td>
<td>6,771</td>
<td>6,771</td>
<td>6,771</td>
<td>0.5%</td>
<td>0.5%</td>
<td>0.5%</td>
</tr>
<tr>
<td>Greenville-Lawrence</td>
<td>26,625</td>
<td>26,625</td>
<td>6,420</td>
<td>6,420</td>
<td>6,420</td>
<td>6,420</td>
<td>0.3%</td>
<td>0.3%</td>
<td>0.3%</td>
</tr>
<tr>
<td>Jackson-Macon-McComb</td>
<td>22,054</td>
<td>22,054</td>
<td>5,285</td>
<td>5,285</td>
<td>5,285</td>
<td>5,285</td>
<td>0.6%</td>
<td>0.6%</td>
<td>0.6%</td>
</tr>
<tr>
<td>Tupelo-Teignay</td>
<td>20,000</td>
<td>20,000</td>
<td>4,920</td>
<td>4,920</td>
<td>4,920</td>
<td>4,920</td>
<td>0.4%</td>
<td>0.4%</td>
<td>0.4%</td>
</tr>
</tbody>
</table>

Figure 5. TANF Recipient Education Levels by USDA Urban Influence Code within Mississippi's Labor Market Areas

Source: Author's calculations, based on proprietary estimates from Wiczer Inc.


Prospects for Job-Matching in the Welfare-to-Work Transition

Labor Market Capacity for Sustaining the Absorption of Mississippi's TANF Recipients
the metric by which to gauge industrial shifts within these LMA s, based upon estimates of employment in the base year of 1997. The high points of these results summarized in Table 5 suggest that national and state trends already underway will continue to materialize in these labor market areas. Relative stability in agricultural employment is projected with some losses in the Delta but gains in the Northeastern part of the state. Manufacturing will continue to decline in every LMA except on the Gulf Coast. Clear gains are likely to be realized in transportation, service, and government sectors. The FIRE sector, containing the finance, insurance and real estate industries, also will exhibit increases in jobs. Most of these projected increases in industries dominated by white-collar workers are situated in LMA s with greater levels of urban influence, such as metro areas like Biloxi-Gulfport-Pascagoula and Memphis, although the nonmetro area of Tupelo shows much strength in this sector. Higher-paying skilled jobs in the manufacturing sector are declining. The service sector has generally lower-paying jobs but the wage-rate is more variable by occupation (e.g., white-collar versus unskilled). Nevertheless, with gaming industry making a significant impact on the service sector, there is unified growth in this sector throughout the state's LMA s.

From the previous analyses, it is clear that Mississippi's labor markets vary in several ways on indicators pertaining to the welfare-to-work transition. There are different total TANF caseloads and educational credentials among TANF recipients, varying employment growth patterns, and differences among labor markets in the occupational composition and growth trajectories. However, the spatial connections among these indicators are the most critical aspect of this study. The extent of the spatial mismatch among TANF recipients' educational credentials and the general occupational requirements of employers conditions the "job-matching" outcomes in these LMA s.

Examining Job-Matching Across Mississippi's LMA s

The approach used in this study is based upon the one illustrated by Howell [11] who developed an "absorption index" based upon the ratio of AFDC/TANF recipients in 1996 to the projected job growth over the succeeding three years. Thus, the higher this ratio, the greater the number of welfare recipients to the net job growth in the immediate future. Where the ratio is precisely one, there will be one net additional job available during the period being considered. If it is less than one, then there will be correspondingly more than one job-per-AFDC recipient. If greater than one, there will be inversely less than one job-per-AFDC recipient. Howell used both county and LMA-level analyses in his study but felt that the labor market area results were more meaningful results. However, he used total employment growth as the denominator for these "labor market absorption index" and, thus, he did not make any explicit attempts to "match" the educational credentials of the 1996 AFDC/TANF cohort to the general job requirements of the net job growth in the labor market itself.

This study attempts to improve upon that work through the gross categories of white-collar, skilled, and unskilled job types as "matched" with educational credentials of post-secondary school, high school only, and less than high school, respectively. (See the Methods section for details on this crude job-matching index.) Because the number of AFDC/TANF recipients in an area varies across these three educational levels, a refined job-matching index was constructed by "weighting" the components of the crude job-matching index by the proportions of AFDC/TANF recipients within each educational level. This "composite" job-matching index reflects our best estimate of the absorption capacity that each labor market area has for successfully merging these welfare beneficiaries into the paid labor force.

Table 6 and in Figures 9 through 12 summarize these results. Because of the programmatic interest in "work-first" training efforts, both the crude and composite job-matching ratios are presented, as well as the individual crude ratios, for each educational level. As noted above, three LMA s are projected to experience a
Table 6: Employment by Major Industry in Mississippi Labor Market Areas, 1997-2002

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing</td>
<td>1.8</td>
<td>1.9</td>
<td>3.7</td>
</tr>
<tr>
<td>Transportation</td>
<td>-2.7</td>
<td>-2.4</td>
<td>-5.1</td>
</tr>
<tr>
<td>Wholesale Trade</td>
<td>3.0</td>
<td>1.0</td>
<td>4.0</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>2.9</td>
<td>2.3</td>
<td>5.2</td>
</tr>
<tr>
<td>Finance, Insurance, Real Estate, Rental, Leasing</td>
<td>2.2</td>
<td>1.7</td>
<td>3.9</td>
</tr>
<tr>
<td>Professional, Scientific, Technical Services</td>
<td>2.6</td>
<td>1.9</td>
<td>4.5</td>
</tr>
<tr>
<td>Education, Health, Social Services</td>
<td>2.2</td>
<td>1.7</td>
<td>3.9</td>
</tr>
<tr>
<td>Community, Legal, Social, Religious, and Gov't. Services</td>
<td>2.1</td>
<td>1.6</td>
<td>3.7</td>
</tr>
<tr>
<td>Construction</td>
<td>-3.0</td>
<td>-2.8</td>
<td>-5.8</td>
</tr>
<tr>
<td>Mining</td>
<td>2.0</td>
<td>1.6</td>
<td>3.6</td>
</tr>
<tr>
<td>Agriculture</td>
<td>1.0</td>
<td>1.3</td>
<td>2.3</td>
</tr>
<tr>
<td>Transportation, Communication, Utilities</td>
<td>2.7</td>
<td>2.1</td>
<td>4.8</td>
</tr>
<tr>
<td>Information Technology, Computers, Media</td>
<td>2.1</td>
<td>1.6</td>
<td>3.7</td>
</tr>
<tr>
<td>Finance, Insurance, Real Estate, Rental, Leasing</td>
<td>2.2</td>
<td>1.7</td>
<td>3.9</td>
</tr>
<tr>
<td>Professional, Scientific, Technical Services</td>
<td>2.6</td>
<td>1.9</td>
<td>4.5</td>
</tr>
<tr>
<td>Education, Health, Social Services</td>
<td>2.2</td>
<td>1.7</td>
<td>3.9</td>
</tr>
<tr>
<td>Community, Legal, Social, Religious, and Gov't. Services</td>
<td>2.1</td>
<td>1.6</td>
<td>3.7</td>
</tr>
<tr>
<td>Construction</td>
<td>-3.0</td>
<td>-2.8</td>
<td>-5.8</td>
</tr>
<tr>
<td>Mining</td>
<td>2.0</td>
<td>1.6</td>
<td>3.6</td>
</tr>
<tr>
<td>Agriculture</td>
<td>1.0</td>
<td>1.3</td>
<td>2.3</td>
</tr>
</tbody>
</table>

Source: Authors' calculations, based on proprietary estimates from Wireless Inc.,

Prospects for Job-Matching in the Welfare-to-Work Transition

Statewide, the 1996 cohort of AFDC/TANF recipients will outnumber new job growth by a ratio of 2.13 or, put another way, there will be just over two AFDC recipients from the 1996 cohort per net new job during the succeeding five-year "amortization" period for lifetime benefits (see Table 6). This statewide crude job-matching index does not take into consideration the imbalances among the three levels of educational credentials held by the 1996 cohort. Once this crude job-matching index is "weighted" by the educational levels (see above), the composite index is 0.95, suggesting that there will be almost one net new job per AFDC recipient in 1996. Of course, welfare recipients will not be the only ones competing for such jobs and this is not an indication that the state's various labor markets will "completely" absorb such individuals. However, it is instructive to have some rational set of expectations about this transition. In that regard, these results suggest that those with more education will face better odds of being successfully absorbed into the state's paid labor force. The crude job-matching indexes indicate that there will be 1.78 AFDC/TANF recipients who do not have a high school diploma per each net new unskilled job over the five-year period. By stark contrast, these crude job-matching indexes are 0.26 and 0.09, respectively, for skilled (high school or equivalent) and white-collar (post-secondary) job growth. Clearly, at the state level, there are significant issues for the 1996 cohort without at least a high school diploma in becoming part of the paid labor force. However, jobs tend to be held locally and the statewide picture masks the reality of important spatial differentiation across local labor markets in Mississippi.

The composite job-matching index varies quite a bit across the state's local economies (see Figure 9). While the fate of the three LMAs with projected total job losses is clearly negative, the Greenwood labor market area has a composite index of 7.01 AFDC/TANF recipients per net new job. Areas of the state such as the LMA's of Jackson, McComb, Laurel, and Meridian have between one and two beneficiaries per new job during the period in question. The remaining LMAs, including Memphis, Tupelo, Hattiesburg, and the Gulf Coast, all will fare much better in terms of the sheer odds of their AFDC/TANF beneficiaries finding jobs which generally match their educational credentials. The composite job-matching indexes for these three LMAs, as shown in Table 6, are all below 0.75, which indicates 1.33 jobs are projected to "match" each AFDC/TANF beneficiary in these areas. The Corinth LMA has a composite index of 0.77, which also puts them in a similar position. Thus, for the overall "job-matching" capacity of Mississippi's labor market areas, there is quite a bit of spatial variation. There appear to be two effective problems—the poor outlook for net employment growth in the Columbus, Greenville, and Vicksburg LMAs and a spatial "mismatch" between the types of new jobs likely to be produced relative to the general education requirements. The LMAs of Clarksdale perhaps faces this challenge more than others around the state, but Jackson, McComb, Meridian, and Laurel are not far behind.

The assessment of the crude job-matching indexes separately by education level of AFDC/TANF recipients helps identify where the most serious challenges are for the welfare-to-work transition. In Figure 10, the job-matching index for white-collar jobs and post-secondary education level AFDC/TANF recipients is shown. In no case are there more welfare beneficiaries with post-secondary schooling than net new white-collar jobs. There is a particularly more optimistic set of odds for those AFDC/TANF beneficiaries with post-secondary credentials living in either the Memphis (effectively DeSoto County in this case) or the Tupelo LMA as the job-matching indexes are very small. Table 6 shows that this reflects a relatively large number of new white-collar jobs in each of these two LMAs. Even with an index of less than 1.0, the

Labor Market Capacity for Sustaining the Absorption of Mississippi's TANF Recipients
### Table 6: Estimates of Job-Matching and the Capacity of Mississippi Labor Markets to Absorb 1996 TANF Beneficiaries During 1997-2002

<table>
<thead>
<tr>
<th>Labor Market</th>
<th>AFDC H-6</th>
<th>Education</th>
<th>Matched TANF-H-6</th>
<th>Matched H-6</th>
<th>Matched Education</th>
<th>Matched H-6 &amp; Education</th>
</tr>
</thead>
<tbody>
<tr>
<td>Biloxi-Gulfport-Pascagoula</td>
<td>989</td>
<td>188</td>
<td>698</td>
<td>7,822</td>
<td>6,805</td>
<td>6,425</td>
</tr>
<tr>
<td>Memphis</td>
<td>2,227</td>
<td>366</td>
<td>2,199</td>
<td>9,974</td>
<td>8,107</td>
<td>8,346</td>
</tr>
<tr>
<td>South Central</td>
<td>1,562</td>
<td>117</td>
<td>1,546</td>
<td>6,710</td>
<td>5,272</td>
<td>5,256</td>
</tr>
<tr>
<td>Clarksdale</td>
<td>417</td>
<td>1,018</td>
<td>1,018</td>
<td>4,314</td>
<td>4,314</td>
<td>2,436</td>
</tr>
<tr>
<td>Laurel</td>
<td>365</td>
<td>5,020</td>
<td>5,020</td>
<td>25,312</td>
<td>25,312</td>
<td>25,312</td>
</tr>
<tr>
<td>Vicksburg</td>
<td>113</td>
<td>710</td>
<td>710</td>
<td>3,411</td>
<td>3,411</td>
<td>3,411</td>
</tr>
<tr>
<td>Total</td>
<td>4,003</td>
<td>1,184</td>
<td>4,187</td>
<td>24,892</td>
<td>24,433</td>
<td>24,647</td>
</tr>
</tbody>
</table>

Note: Matched TANF-H-6 refers to those who received TANF benefits during 1996 and were matched to jobs during the period. Matched H-6 and Education refers to those who met the criteria for each category.

*Source: Author's calculations, based on Mississippi Department of Human Services data and proprietary estimates from Wexner Inc.*

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Greenville LMA faces the most difficult challenge among its post-secondary AFDC/TANF recipients because of the relatively small number of white-collar jobs being forecast for the period 1997-2002. This might, however, result in these recipients becoming underemployed rather than not employed.

The picture for skilled jobs and AFDC/TANF recipients tends to largely parallel that for white-collar jobs. Figure 11 shows that it is the Greenville LMA that faces the most difficult odds in generating net new skilled jobs relative to their resident AFDC/TANF beneficiaries who hold high school diplomas or equivalent. In fact, these beneficiaries in the Greenville labor market hold about a two-to-one (2.14) margin over new growth in skilled positions. Once again, this also ignores other competitors for these skilled jobs. The most optimistic odds for successful welfare-to-work within the segment of the 1996 TANF cohort who already held high school degrees appear to be in the Memphis and Tupelo LMAs. The Gulf Coast, in the Biloxi-Gulfport-Pascagoula and Hattiesburg LMAs, and the Corinth area follow suit. These results, while slightly less optimistic, clearly parallel those for white-collar job growth and the "job-matching" absorption capacity of Mississippi's local labor markets.

Where the least optimistic picture lies in this job-matching scenario involves the less formally educated welfare recipients, those with less than a high school degree or equivalent, and projected new growth in unskilled positions. Figure 12 displays the spatial variation in the job-matching index for this segment of the 1996 AFDC/TANF cohort. Having previously noted the LMAs with a projected job loss in unskilled jobs—Columbus, Greenville, and Vicksburg—Clarksdale shows up as another LMA with a higher ratio than others. There will be over 13 welfare recipients with less than a high school education for each net new unskilled job (see Table 6). The Laurel and McComb LMAs are the next highest, each with slightly less than five per job. As noted in the analysis for the other two educational levels, the Memphis and Tupelo LMAs, coupled with the Gulf Coast LMAs of Biloxi and Hattiesburg, appear to be in a position to fare the best in the general matching of types of jobs to welfare recipients in the labor market.

### Child Care Availability and Capacity in Labor Market Areas

Where physically or mentally possible, holding a job is one of the priorities in the Personal Responsibility and Work Opportunity Reconciliation Act. But holding a job requires more than simply having a position available, locating it, and competing successfully for the opening. Performing the job on a continual basis is a crucial aspect of permanent employment. The AFDC program was designed to provide assistance to adults with dependent children, most of whom are women. The critical issue of what to do with these small children while the former AFDC recipient is at work—not that parents do not care about welfare beneficiaries don't face the same dilemma—is one of the barriers to a sustainable welfare-to-work transition.

This section examines the availability and capacity of licensed child care in Mississippi. Using data from the Mississippi Department of Health's Child Care Licensure Database, these child care establishments were located using geocoding procedures incorporating address-matching routines [7]. Where licensed facilities could not be successfully located, the record is still included in the county-level tabular analyses (shown below). While this database does not include all child care arrangements, the use of facilities licensed by the state means that they have met certain child care accreditation standards mandated by the state and, therefore, are likely to render higher-quality care than others [14].

The report first examines the spatial distribution of licensed child care facilities across the state with a special focus on the rural-to-urban patterning of their location. Then, it analyzes the current operating capacity...
capacity of the licensed child care facilities in the state. With the 1996 AFDC/TANF recipients, as well as successive ones, being transitioned off of the welfare rolls with many competing for gainful employment, is there enough capacity in the existing child care system to accommodate those who would choose to make use of this system? This analysis serves as a necessary beginning point. The issue involves both the capacity and the proximity of licensed child care to former-AFDC/TANF beneficiaries.

The spatial distribution of licensed child care in Mississippi is shown in Figure 13. With the USDA "urban influence" classification for counties as a base-map, the point data on child care facilities is rather clear. "Quality" (as ascertained through licensure) child care is more concentrated in cities, but not all of these cities are in the most urban areas. As the level of urban influence declines, so does the density of licensed child care establishments. It appears that the three metropolitan areas have significantly greater concentrations of child care facilities, following a well-worn fact of business in that markets tend to drive service. Metropolitan areas tend to have a higher population and this market principal probably drives much of what can be seen in Figure 13. These patterns do not differ appreciably from the study a decade earlier by Howell and Wade [14].

The county data were further summarized by Labor Market Area in Table 7. The capacity of each LMA is characterized by several computations displayed in this tabular summary. The maximum licensed capacity reported by the Department of Health for the State is 100,817 "slots" for children. At last count, these licensed "positions" for children were being utilized at 64 percent (i.e., 64,519 children were occupying these 100,817 "slots"). Theoretically, this gives an estimated 36,298 openings across the state in licensed child care facilities. Given that, by definition to qualify, virtually all 1996 AFDC/TANF recipients had at least one dependent child, there was a potential "demand" by that population of at least 21,843 (or 60 percent of these openings). If 1996 AFDC/TANF recipients had more than one dependent child, say two, there would suddenly be a need of an additional 20 percent in child care openings. While this exercise makes for an interesting initial assessment, the state-level analysis does not point out whether there is a "spatial match" between available quality child care and the welfare-to-work transition.

The LMA variation in the number of "openings" in licensed child care centers shown in Table 7 is considerable. The Jackson metropolitan LMA has twice the number of openings (> 10,000) than does the next nearest labor market, that of another metropolitan area, Biloxi-Gulfport-Pascagoula, which has room for about 5,200 additional children to reach maximum capacity. Other LMAs follow a declining pattern, ending with the nonmetro Laurel (641 openings) and Corinth (638) labor markets. The degree to which these child care facilities are operating at their rated capacity is expressed as a percentage in this table. The LMA which has the estimated highest percentage of rated capacity is the nonmetro Meridian at 81 percent and the lowest is the metropolitan Memphis (DeSoto County) area at 51 percent.

The spatial variation in the proportion of vacancies in licensed child care establishments can be perhaps better visualized through the county-level map in Figure 14. This pie-chart map shows the percent that all the openings in licensed facilities in the county are of the rated maximum capacity. Figure 14 also displays the actual number of estimated vacancies within each county. (For a few counties, no data are available.) It is evident from inspecting this map that there are also spatial variations within the LMA itself. However, there are no distinct patterns that parallel lines of urban influence. The counties in the metropolitan "fringe" (or suburbs) would tend to be operating a near-capacity due to the middle-class concentrations of dual-career couples and single-parents. Alternatively, the inner-city of Jackson might be operating at a high capacity rate. However, none of these ideas appear to meaningfully describe the spatial patterning in Figure 14. The Jackson and Memphis MSAs both have 25 percent or better vacancy-rates. A similar pattern can

![Figure 9. Labor Market Absorption Capacity for Composite Job-Matching Educational Credentials of 1996 TANF Recipients to Employment Growth, 1997-2002](image)

**Figure 9. Labor Market Absorption Capacity for Composite Job-Matching Educational Credentials of 1996 TANF Recipients to Employment Growth, 1997-2002**

- **Labor Market Area, 1990**
- **City**
- **MSA(1993 Definition)**
- **Ratio of TANF/Recipients to Job Growth**
- **0 - 0.75**
- **0.75 - 1**
- **1.01 - 2.32**
- **2.32 - 7.01**
- **Projected Job Loss**

*Note: A high positive score indicates that there are more 1996 TANF recipients than projected jobs for which their current educational credentials match the typical job entry requirements. A negative score (labeled "Projected Job Loss") indicates the ratio of TANF recipients to the projected job loss over the period.*

Source: U.S. Bureau of the Census, Wessex Inc. (proprietary), the Mississippi Department of Human Services, and author's calculations.

Proper for Job-Matching in the Welfare-to-Work Transition

Labor Market Capacity for Sustaining the Absorption of Mississippi's TANF Recipients
Note: A high positive score indicates that there are more 1996 TANF recipients than projected jobs for which their current educational credentials match the typical job entry requirements.

Source: U.S. Bureau of the Census, Wessex Inc. (proprietary), the Mississippi Department of Human Services, and author’s calculations.

Prospects for Job-Matching in the Welfare-to-Work Transition
Figure 12. Labor Market Absorption Capacity for Specific Job-Matching Educational Credentials of 1996 TANF Recipients to Employment Growth in Unskilled Jobs, 1997-2002

Note: A high positive score indicates that there are more 1996 TANF recipients than projected jobs for which their current educational credentials match the typical job entry requirements. A negative score (labeled "Projected Job Loss") indicates the ratio of TANF recipients to the projected job loss over the period.

Source: U.S. Bureau of the Census, Wexx Inc. (proprietary), the Mississippi Department of Human Services, and author's calculations.

Prospects for Job-Matching in the Welfare-to-Work Transition

Figure 13. Location of Licensed Child Care Facilities by USDA Urban Influence Code within Mississippi's Labor Market Areas


Labor Market Capacity for Sustaining the Absorption of Mississippi's TANF Recipients
Figure 14. Number of Estimated Openings and Percent of Licensed Capacity in Child Care Facilities by County's USDA Urban Influence Code within Mississippi’s Labor Market Areas

Table 7. Current Operating Capacity of Licensed Child Care Facilities by Labor Market Area.

<table>
<thead>
<tr>
<th>Labor Market Area</th>
<th>Total Number of Facilities</th>
<th>Max. Licensed Capacity</th>
<th>No. Children Enrolled in Facilities</th>
<th>% of Capacity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jackson-1990</td>
<td>151</td>
<td>55,922</td>
<td>11,371</td>
<td>50.7</td>
</tr>
<tr>
<td>North Mississippi</td>
<td>401</td>
<td>25,866</td>
<td>10,157</td>
<td>39.4</td>
</tr>
</tbody>
</table>

be seen on the Gulf Coast, although Hancock County has a small vacancy rate and number. For nonmetropolitan counties with only nominal urban influence, the vacancy rate fluctuates generally without spatial distinction.

The main issue for welfare reform, of course, is whether the vacancies are in proximity to AFDC/TANF recipients who, in general, must find employment. Without point-data on the location of welfare beneficiaries, however, one approximation is through the ratio computed in Table 7. For each LMA, the ratio of vacancies in licensed child care facilities to the number of 1996 AFDC/TANF recipients (assuming one child per adult) yields a crude rate. This rate indicates the potential for the licensed child care facilities to meet the potential demand by welfare recipients if each one chose this child care arrangement. If this ratio is 1.0, then the number of vacancies matches this estimate of welfare demand, with fluctuations above indicating a greater likelihood of meeting the demand and the converse for those below that value. The LMAs of Greenville, Clarisland, and Meridian all fall below 1.0, indicating a pattern regarding employment "absorption" capacity. The Delta labor markets tend to fall below what this analytical scenario would expect in order to meet the demand of the welfare-to-work transition. The pattern is inconsistent with the even more dramatic results obtained by Howell and Wade [14] who identified the Delta region of the state as the area in which "there are at least 1,500 additional [emphasis theirs] preschool children who need day care service but who are not currently in such a facility . . . a similar pattern . . . occurs for school-age children."

At the other end of the spectrum, the Tupelo LMA appears to be in the best position to accommodate the 1996 AFDC/TANF recipients' child care needs through licensed facilities. With a ratio of vacancies to welfare recipients of 5.12, the Tupelo area substantially leads the Memphis (DeSoto County) LMA (2.42) and the Corinth LMA (2.04) in "carrying capacity" for accommodating children dependent upon adult welfare beneficiaries. The LMAs which seem to have the poorest chances for labor market absorption—Greenville, Clarisland, and Columbus—also fare poorer in terms of the capacity of the local licensed child care system to accommodate their potential needs for family support. With the "vacancy rates" displayed in Figure 14, it would not be obvious that there could be a need for additional "carrying capacity" in child care without examining the spatial coincidence of the child care system and the welfare reform process.

The studies by Howell and colleagues [12, 13, 14] need more careful analyses but, coupled with this preliminary assessment, strongly suggest that the child care system in Mississippi is an important part of building a sustainable welfare-to-work transition process.

Access to Transportation in Labor Market Areas

Another important element of a sustainable welfare-to-work transition is access to transportation with which to get to and from work. Not surprisingly, for employed parents with dependent children, personal access to transportation can be a critical household management issue. In Mississippi, public mass transportation has only a very limited availability; largely present only in Jackson (JATRAN). As in many rural areas in the United States, access to transportation is largely through private automobiles. An important element of transportation access is that, with everything else equal, a tight job market would mean that job-searching strategies would need to be optimized for greater access to the search "territory," that is the labor market itself. Thus, in the LMAs where the employment forecast is bleak, the need for access to a personal vehicle for transportation is even greater than where jobs are more plentiful.

The report examines the characterization of the labor market areas in Mississippi for their capacity to support the welfare-to-work transition directly. Because of a lack of information on the transportation access in the household of each individual AFDC/TANF recipient, only aggregate data is used, which may not render an accurate picture for these welfare recipients. However, the study only infer differences in the odds for access to transportation in each LMA.

The numbers of households within each LMA in 1997 that do not have access to at least one automobile is shown in Table 8. Also included in this table are the total number of households, the AFDC/TANF cohort count in 1996, the computed "job-matching" index, and whether an LMA highway passes through the LMA. Almost 11 percent of all households in the state are estimated to be without an automobile for use (112,544 out of 970,420). The absolute numbers across each LMA trends to follow the population size as shown in Table 8. Those LMAs where a job-loss is projected, including Columbus, Greenville, and Vicksburg, have an estimated 23,179 households without access to a private automobile, but it is not known how many of these households had AFDC/TANF recipients residing within them. However, given that the poor tend to not have cars at the same rate as those in higher income ranges, it is very likely that some of them were on the AFDC/TANF rolls during 1996. It is also important to note that two of these LMAs (Columbus, Greenville) do not have Interstate access, a crude indicator of job-searching capacity, given access to personal transportation or a "ride" with someone else.

As also shown in Table 8, the variations in the LMAs with and without Interstate access also suggest another mechanism by which urban influence can organize the welfare-to-work transition. However, this element of the data can be better visualized in Figure 15. This map displays several elements of these data, along with some supplementary information. It contains a base map of the USDA Urban Influence classification scheme, augmented with the MSA and LMA boundaries, that we have used throughout this study. The major roadways comprised of the Interstates and U.S. Highways are overlaid on top of the base map. This layer gives the viewer a sense of the transportation "connectivity" associated with the urban influence classification taxonomy. A pie-chart of the proportion of households without private automobiles is layered on each county in the state. Although this map contains enough information so as to border on being visually "busy," it assists in trying to understand the spatial relationships among these data.

It appears that the connection between the degree of urban influence and the proportion of households without private automobiles is a modest one, at best. Comparing the core counties of the MSAs with those on the fringe but still within the same LMA shows a slightly larger slice of the pie exhibited by the surrounding "fringe" counties (e.g., see the Jackson MSA and LMA counties). A similar pattern, perhaps stronger, can be observed in the Memphis labor market area. However, this pattern is less obvious on the Gulf Coast. In the Delta LMAs of Greenville and Clarisland, the tendency is decidedly for more households to be without private automobiles, and it seems to matter little whether an Interstate intersects the county's boundaries in this pattern. In the Northeast section of the state, including the Tupelo and Corinth LMAs, the tendency is for households to have private automobiles in greater proportions that in some other areas. As was the case with Interstates, the presence of a U.S. Highway in a county seems to have almost no bearing on the percent of households without private automobiles. This indirect analyses summarized in Table 8 and in Figure 15 shows that the degree of urban influence in a county and labor market area seems to not be related to the degree to which households in general are without access to personal transportation. However, there is a spatial coincidence between the LMAs with the bleakest outlook for employment growth, and with the most severe challenges for matching AFDC/TANF beneficiaries to jobs which match their educational training, to those with higher proportions of households without private automobiles. The explicit connection between this coincidence and micro-level household data must await the availability of appropriate information with which to test these hypotheses.

_Labor Market Capacity for Sustaining the Absorption of Mississippi TANF Recipients_
Conclusions

The 1996 Welfare Reform Act (PRWORA) institutes a maximum 60-month "lifetime" benefit window for TANF block-grant recipients, involving TANF beneficiaries actually finding paid employment somewhere in the labor force. This welfare-to-work transition constitutes the most important element of the welfare reform initiative among states in the United States because it reflects the most tenuous element of the "social contract" set by Congress in legitimating the PRWORA. For Mississippi, a state steeped in long-term high poverty rates by U.S. standards but one that has been a recent beneficiary of a growth-oriented economy, the success of this process constitutes an important social laboratory for the grand experiment that is the current welfare reform initiative. In many ways, the 1996 welfare reforms constitute a vital part of the experiment because they are the first-impact group for the welfare reform package adopted by the legislature. Thus, this time and the place of Mississippi yields an attractive spatio-temporal setting for examining elements of this welfare-to-work transition.

As part of a larger study, this report examined three key aspects of the transition-to-work portion of welfare reform in Mississippi and related them to the potentially uneven realization of sustainability that may be associated with the rural-urban continuum. Using USDA's recent taxonomy of urban influence for Mississippi counties, this report

- Examined prospects for local labor markets to "absorb" 1996 TANF recipients by "matching" their current educational credentials to the projected growth in jobs within specific minimum educational levels over a five-year period from 1997 to 2002. This expanded on previous work 14 which documented dramatic spatial variation in the crude "absorption capacity" of labor market areas in Mississippi to handle these TANF recipients
- Identified child care facilities in each county within the labor market area and plotted their spatial distributions to ascertain the relative availability of these services for TANF recipients, as a part of sustaining the transition to work
- Examined the availability of private automobiles at the household-level within counties as a proxy for the availability of transportation, as part of sustaining the transition to work. The spatial proximity of households to major road and highway systems is likely to be an effective indicator of "transportation access" in a rural-oriented state such as Mississippi.

The findings give rise to some key insights in understanding the labor market areas in Mississippi and their capacity to successfully "absorb" welfare beneficiaries who must move off of public support. There is significant variation in the state's LMAs in this "absorption" capacity. There is a clear challenge facing the Delta labor markets around Greenville and Clarksdale, as well as in the Columbus area. These LMAs were projected to suffer net job losses such that job-search strategies for TANF beneficiaries in the 1996 cohort will perhaps need to reach beyond their resident labor market areas to successfully find employment. The ability of these TANF beneficiaries to find employment that generally "matches" their educational skills is a vital part of the employment process. With a composite "job-matching" index that attempted to quantify this relationship for the state as a whole, the results suggested that there will be almost one net new job per member of the 1996 AFDC/TANF cohort. However, these welfare beneficiaries are only part of the sector of prospective applicants for this job growth. Welfare beneficiaries from other groups, in-migrants from other states and areas within Mississippi, as well as people changing jobs in the same labor market, are all competitors for these new jobs. Thus, this statewide figure is somewhat of a statistical illusion for the real activity of job-searching by welfare beneficiaries.

The LMA-to-LMA comparisons perhaps tell a more realistic story about the prospects for successful welfare-to-work transitions. The major areas that will appear to experience much easier transitions include...
the Memphis, Tupelo, Hattiesburg, and Gulf Coast areas. The Jackson, McComb, Meridian, and Laurel LMAs are not far from the most challenging areas of Greenville,Clarkdale, and Columbus in terms of generating jobs that generally "match" the educational credentials of their 1996 AFDC/TANF beneficiaries.

The picture regarding two important elements of sustainability in the welfare-to-work transition—child care and access to effective transportation—was also mixed. In general, the core labor market areas in the Delta region, Greenville and Clarkdale, tended to have a weaker capacity in its licensed child care system to deal with the potential needs of the 1996 AFDC/TANF cohort. By contrast, the Tupelo labor market area was at the other end of the spectrum as it appeared to have a much greater capacity for expanded enrollments in the existing licensed child care facilities, relative to the potential needs of the 1996 AFDC/TANF recipients residing there. Thus, a significant expansion of the licensed child care system, especially in the core labor market areas of the Delta region, may be a significantly beneficial factor in facilitating the welfare-to-work transition.

The transportation access provided by owning a personal automobile and the local roadways being buttressed by the Interstate and U.S. Highway systems did not prove to be substantially associated with the spatial variations of the 1996 AFDC/TANF population in Mississippi. At best, this was only an indirect examination of the issue of transportation access as a means to facilitate a sustainable transition off of the welfare rolls. Micro-level data on the households of TANF recipients must be used in conjunction with the aggregate-level data used in this study in order to more fully address this issue.

In summary, this report has studied the ability of Mississippi's labor market areas to generate new jobs that can be successfully competed for by AFDC/TANF beneficiaries in the 1996 group. The study generally matches this cohort's educational credentials to the crude classes of jobs represented by the categories of unskilled, skilled, and white-collar workers. Labor market areas around the state vary widely in their apparent capacity to create new jobs compatible with the educational credentials of this cohort. Moreover, the labor market areas of the state that are likely to be the most challenged by this "spatial mismatch" are the ones with the weakest "carrying capacity" for licensed child care facilities and have the lowest density of high-access transportation arteries flowing throughout them. While this study begs for more in-depth analyses employing more refined data, its findings are consistent with other studies.

No doubt, shaping public policies and programs that are attuned to the different challenges facing various LMAs in Mississippi, particularly with regard to successfully absorbing AFDC/TANF recipients into the workforce, will be of central importance. So will efforts that recognize the distinct transportation and child care issues that exist across different LMAs in the state. Indeed, recognizing these key variations across spatial areas of Mississippi is an essential first step in devising policies and programs that work.
References


