

## MISSISSIPPI LOW-INCOME CHILD CARE INITIATIVE

### INVESTING IN EARN & LEARN STRATEGIES FOR SINGLE MOMS ENTERING JOB TRAINING & EDUCATION IS AN INVESTMENT IN MISSISSIPPI'S FUTURE

**THE PROBLEM:** Single moms need to earn higher wages to afford child care and to achieve economic security. But they are unable to quit work to attend training & education to obtain a higher-paying job. Single moms cannot go without wages. They face unaffordable child care and other increasing costs of living. “Earn & Learn” is a policy solution and a model designed to fix this problem and connect moms to career pathways leading to better jobs.

- > In 2022, labor force participation among MS moms was higher than national and neighboring states’ averages.<sup>i</sup> 80.9% of single female family householders with children below age 18 are in the labor force and 75.9% of all women ages 20-64 with children below age 18 participate in the labor force (compared to a 72.2% participation rate for the overall population of 20–64-year-olds in Mississippi).<sup>ii</sup>
- > Mississippi women are disproportionately overrepresented in low-wage work – our state has the 2<sup>nd</sup> highest share of women in low-paying jobs in the nation.<sup>iii</sup> Of 155,492 Mississippians working in the lowest-paying 40 occupations, nearly 70% or about 108,000 are women. Single-mom headed families in our state experienced poverty at an alarming rate of 42.2% in 2022, twice the overall family poverty rate of 21.7%.<sup>iv</sup> Forty-two percent of all children below age 18 in Mississippi live with a single parent.
- > Even though Mississippi’s single moms outwork their national peers, they do not out-earn them. Despite Mississippi single moms’ labor force participation rate exceeding national and regional averages, Mississippi women working full-time in 2022 earned less in weekly wages than women in any other state<sup>v</sup>. But the reality is that women’s wages in all states are lower than men’s because they are concentrated in low-wage work.

**THE SOLUTION:** Provide funding for wages or cost-of-living stipends for single mom participants while they pursue education & training for occupations paying a living wage.

- > “Earn & Learn” represents an effective approach to education & training for single moms stuck in low-wage work who need employer and sector-specific training or education to obtain higher-paying work, but who are unable to go without wages to attend training. The “Earn” component refers to a wage or a stipend provided to a participant that can be used flexibly, while the “Learn” component refers to the curriculum, the work experience, the training, and credentials that will be gained through participation.
- > A recent study found that Earn & Learn participants experience improved short and long-term economic outcomes and yield a positive economic return to the economy. Earn & Learn participants’ retention rate was double that of participants who did not receive wage replacement support. Graduation, certification completion and 4-month job attainment rates were higher for participants who “earned” while they learned.<sup>vi</sup> Researchers found that a \$500,000 investment in wage replacement stipends for Earn & Learn participants would result in \$2.28 million *more* in graduate earnings, based on an 80% employment rate.
- > We recommend that the committee coordinate Earn & Learn funding for single moms with current occupational training targeted for investment by AccelerateMS. Single moms pursuing non-traditional and high-wage training in any program should be prioritized for receiving a wage or a stipend.

FOR MORE INFORMATION, CONTACT MLICCI AT [INFO@MSCHILDCARE.ORG](mailto:INFO@MSCHILDCARE.ORG) JULY 2024

## References

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- <sup>i</sup> U.S. Department of Labor, <https://www.dol.gov/agencies/wb/data/womens-labor-force-participation-rate-presence-age-of-children>. The data refers to all females ages 20-64 with children below age 18.
- <sup>ii</sup> U.S. Census Bureau, 2022 American Community Survey 1-Year Estimates, Table S2301 and Table S2302. Table S2301, females ages 20-64 with own children below 18 years of age in Mississippi. Table S2302, female heads of family with own children below age 18 and no spouse present in Mississippi.
- <sup>iii</sup> “Hard Work is Not Enough,” National Women’s Law Center (July 2023), <https://nwlc.org/resource/when-hard-work-is-not-enough-women-in-low-paid-jobs/>.
- <sup>iv</sup> U.S. Census Bureau, 2022 American Community Survey 1-year estimate, Families with Related Children under 18, Table S1702.
- <sup>v</sup> “Women’s Earnings in 2022,” *Bureau of Labor Statistics* (2022), [https://www.bls.gov/regions/southeast/news-release/womensearnings\\_mississippi.htm](https://www.bls.gov/regions/southeast/news-release/womensearnings_mississippi.htm).
- <sup>vi</sup> “Stipends and Skills Training: A Winning Combination,” (December 2022), *Per Scholas and SkillUp*, <https://perscholas.org/wp-content/uploads/2022/12/POLICY-BRIEF-Stipends-and-Skills-Training-A-Winning-Combination-12.6.22.pdf>.