

CHAPTER 5 INCOME, INCOME SOURCES, AND EMPLOYMENT

*Highlights: Homeless Clients*¹

- Over the last 30 days, homeless clients' mean income was \$367 and median income was \$300. In 1996, the federal poverty level was \$680 in monthly income for a single person, indicating the extreme poverty of homeless clients.
- 13 percent of homeless clients report no income at all during the past 30 days.
- 44 percent did some type of paid work during the last 30 days, with the majority earning money from short-term jobs.
- 65 percent worked all or most of the time since age 16. However, 19 percent never worked or had not worked for more than five years.
- Besides receiving income from work, day labor, or unemployment insurance over the last 30 days, clients received income from AFDC (10 percent of all clients and 52 percent of clients in families) or General Assistance (9 percent) and food stamps (37 percent).
- Homeless clients in families are less likely than single homeless clients to have done some type of paid work during the last 30 days (29 percent versus 46 percent).
- Forty-five percent of all homeless clients report receiving some type of means-tested government assistance. Omitting food stamps from this calculation drops this figure to 28 percent. Eighty-one percent of homeless clients report that at some time in their lives they have received some type of means-tested government assistance, a figure that drops to 58 percent if food stamps are left out of the calculation.
- Homeless families are more likely than single homeless clients to have received AFDC (52 versus 3 percent) and food stamps (71 versus 31 percent).

¹ Unless noted specifically in the text, all comparisons are statistically significant at $p = .10$ or better, and all percentages presented by themselves have a 90 percent confidence interval no larger than ± 4 percentage points. A confidence interval of ± 4 percentage points means that if the reported percent is 60, 60 is the best estimate of the true value and the probability is 90 percent that the true value falls between 56 and 64 percent. Confidence intervals greater than ± 4 percentage points will be noted in a footnote as: 90% C.I. = $\pm X$ percentage points.

Highlights: Currently and Formerly Homeless Clients and Other Service Users Compared

- Currently homeless clients report the lowest median income over the last month (\$300, versus \$462 for formerly homeless clients and \$480 and \$599 for other service users 64 and younger and 65 and older, respectively). At \$599, the median income of other service users 65 and older is higher than that for any other group during the same period.
- Currently homeless clients are more likely than formerly homeless clients to report income from working during the past 30 days, but more of the jobs held by currently homeless clients are short term, compared to those held by formerly homeless clients.
- Other service users 65 and older are much less likely than clients from the three other groups to have received income from working over the last 30 days. Instead, older other service users are much more likely to have received social security benefits in the last month (87 versus 3 to 11 percent).
- Lifetime employment patterns do not differ substantially among currently and formerly homeless clients and other service users 64 and younger. However, other service users 65 and older are more likely than clients in the other three groups to report working all of the time since age 16 (48 percent versus 35 to 40 percent).

INTRODUCTION

A primary point of agreement among students of homelessness is that lack of money is one factor underlying virtually all homelessness, independent of other factors that may push a person into this condition. Therefore, homeless clients' income level over the last 30 days is the first aspect of their economic situation examined in this chapter. The survey collected information about clients' income from several sources, including work and a variety of government benefit programs.

This chapter also examines the reasons given by homeless and unemployed clients for not working at present, and also looks at work histories to see whether or not clients have had substantial work experience. It also reports lifetime involvement with government benefit programs and experiences with these programs during the year before becoming homeless.

The chapter then examines income, employment, and government benefits for specific subgroups of homeless clients, including: whether or not the client lives with his/her own minor children, whether or not the client has had an alcohol, drug, or mental health (ADM) problem in the past month, and the client's race/ethnicity. Past studies have varied in their reports of employment and work levels, government benefits, and other income sources among homeless people. Explanations for this variation have usually included discussions of special population characteristics such as the percent of female-headed households with children or ADM status

(which affect the likelihood of receiving particular types of government benefits). However, most studies have not had enough variety in their settings and samples to examine these explanations in detail. NSHAPC offers an excellent opportunity to do so. The chapter ends by comparing the situations of currently and formerly homeless clients and other service users.

HOMELESS RESPONDENTS

Current Income Levels and Sources

The incomes of homeless clients are extremely low (table 5.1 and figure 5.1). Mean income during the last 30 days was \$367. Mean income for clients in families was higher (\$475), but was still only 46 percent of the federal poverty line of \$1,023 for a family of three and had to support the parent and two children (on average). All other homeless clients reported less income, averaging \$348 during the past month, or just 51 percent of the federal poverty line of \$680/month for one person in 1996. Note also that the median monthly income for all American households was \$2,840 in 1995, indicating the extreme poverty of homeless clients whether they be families or singles.

Many homeless clients report supplementing their cash income with food stamps. Thirty-seven percent of homeless clients report receiving food stamps. Two-thirds of these clients (24 percent of all homeless clients) receive under \$121 per month in food stamps and one-third (12 percent of all homeless clients) receive \$121 to \$399 per month in food stamps.

Besides asking clients about their total income, the survey asked clients about the sources of their income, probing for access to a variety of sources (table 5.2 and figure 5.2). Homeless clients report receiving income from many sources during the 30 day period prior to the NSHAPC interview. These sources include work, government programs, and friends and family members.

Forty-nine percent of homeless clients have received income from work (including day labor, peddling, and selling personal belongings). The next most common income source is means-tested government benefits, including Aid to Families with Dependent Children (AFDC) General Assistance (GA), and Supplemental Security Income (SSI). Twenty-eight percent of all homeless clients received income from one or more of these sources during the 30 days prior to interview. Twenty-seven percent of homeless clients report income from one or more of: asking for money on the streets, a blood or plasma center, illegal activities, and sources other than those asked about. Also, 21 percent of homeless clients report receiving money from family, relatives, friends, a spouse, and/or in child support.

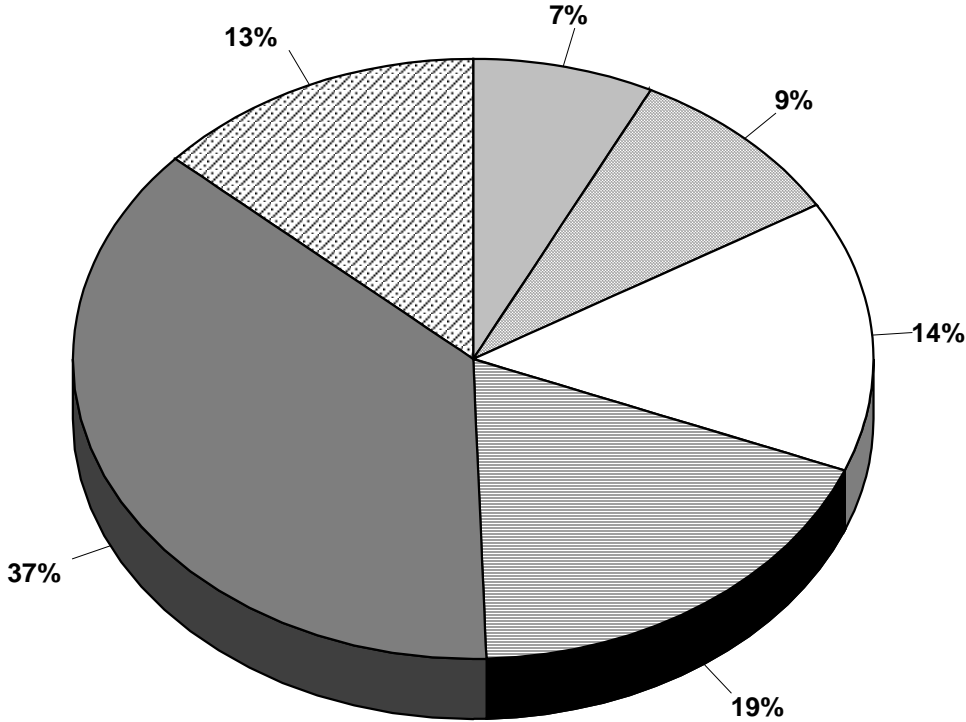
Looking at income sources individually, 11 percent of homeless clients receive income from SSI, 3 percent from Social Security (Survivors and Retirement), and 8 percent Social Security Disability Insurance (SSDI). Social Security and SSDI are federal programs for which people's

Table 5.1
Income, by Homeless Status

	Homeless Status			Other Service Users, by Age Category	
	Currently Homeless Clients (N=2938)	Formerly Homeless Clients (N=677)	Other Service Users (N=518)	Other Service Users Under Age 65 (N=410)	Other Service Users 65 and Older (N=108)
Mean Income	\$367	\$470	\$575	\$538	\$668
Median Income	300	462	514	480	599
Over the Last 30 Days, Total Income From All Sources					
No Income	13(%)	5(%)	5(%)	7(%)	0(%)
Less than \$100	17	9	6	8	1
\$100 to 299	19	16	10	14	2
\$300 to 499	18	30	25	23	30
\$500 to 699	14	20	21	18	29
\$700 to 799	4	6	7	4	15
\$800 to 999	5	6	7	6	8
\$1,000 to 1,199	3	2	3	4	2
\$1,200 or more	4	5	12	12	11
Income Below \$500	67	60	41	52	33
Currently Receive Food Stamps	37	48	37	42	25
Amount of Food Stamps Per Month					
\$1-10	1	2	2	1	3
\$11-60	4	6	11	9	17
\$61-114	6	12	8	11	3
\$115-120	13	16	5	6	2
\$121-199	4	4	4	6	1
\$200-299	5	3	4	6	0
\$300-399	3	3	2	3	0
Currently Receive Housing Subsidy or Housing Assistance	Not Asked	27	15	15	16

Source: Urban Institute analysis of weighted 1996 NSHAPC client data. Note: Percentages do not sum to 100% or other total due to rounding. * Denotes a value that is greater than 0 but less than .5.

Figure 5.1
Amount of Income Received by Homeless Clients in the Last 30 Days



Income Received in the Last 30 Days
None \$1 to \$299 \$300 to \$499 \$500 to \$699 \$700 to \$999 \$1000 or more

Source: Urban Institute analysis of weighted 1996 NSHAPC client data.

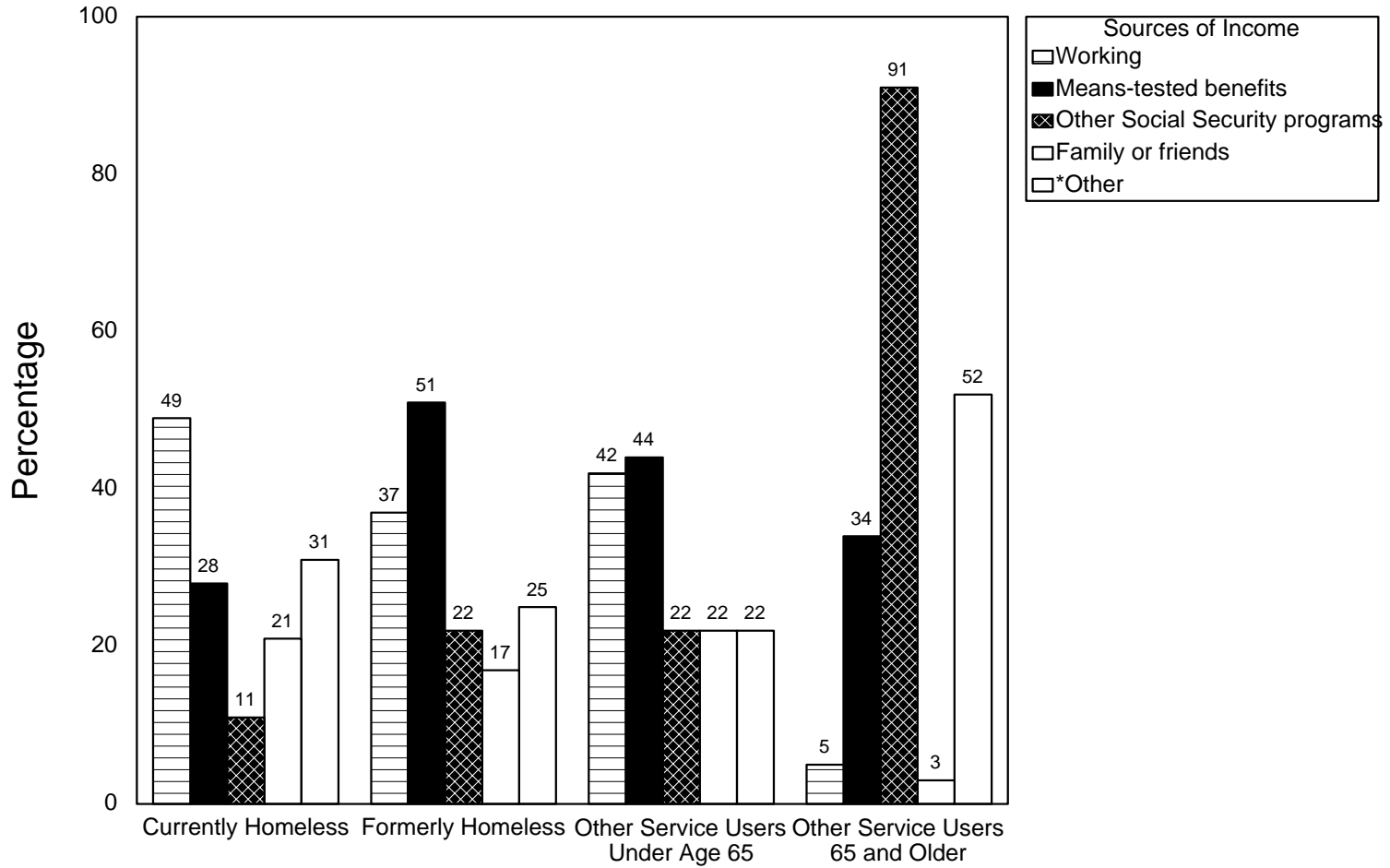
Table 5.2
Income Sources, by Homeless Status

	Homeless Status			Other Service Users, by Age Category	
	Currently Homeless Clients (N=2938)	Formerly Homeless Clients (N=677)	Other Service Users (N=518)	Other Service Users Under Age 65 (N=410)	Other Service Users 65 and Older (N=108)
Have Received Any Money From The Following Sources In the Last Month (Large Categories)					
Working	49(%)	37(%)	32(%)	42(%)	5(%)
Means-tested benefits	28	51	41	44	34
Other Social Security programs	11	22	42	22	91
Veteran's benefits	2	4	7	2	20
Other pensions, benefits, compensation	2	3	9	5	20
Family or friends	21	17	17	22	3
Other	27	18	14	15	12
Have Received Any Money From The Following Sources In the Last Month					
Working					
Working (other than day labor or peddling)	36	29	28	37	4
Day Labor	18	8	7	10	1
Peddling or selling personal belongings	9	5	3	4	0
Means-tested cash benefits					
Aid to Families with Dependent Children (AFDC)	10	8	10	14	0
General assistance such as CA, PA, HR, GR	9	16	7	8	6
Supplemental Security Income (SSI)	11	29	26	26	28
Other Social Security programs					
Social Security	3	6	33	11	87
SSDI	8	16	10	11	6
Veteran's benefits					
Veteran's disability payments	1	3	3	2	7
Veteran's pension (not disability related)	1	1	4	*	13
Other pensions, benefits, compensation					
Other pensions	*	*	7	2	19
Other survivor benefits	0	*	*	*	1
Private disability insurance	*	0	*	1	0
Unemployment compensation	1	1	1	1	*
Other spousal benefits	*	1	1	1	0
Family or friends					
Spouse	2	3	5	6	3
Parents	9	4	6	8	0
Other relatives	5	5	2	3	*
Friends (includes boyfriends or girlfriends)	12	9	5	7	0
Child support	1	1	4	5	0
Other					
Asking for money on the streets	8	3	*	*	0
Blood or plasma center	3	3	*	*	0
Illegal activities	4	*	*	*	0
Any other income	17	14	14	14	12
Ever Received Any of the Following Benefits					
Aid to Families with Dependent Children (AFDC)	22	24	24	30	10
General Assistance	28	38	19	22	10
Supplemental Security Income (SSI)	14	32	27	24	34
Social Security Disability Insurance (SSDI)	9	17	11	12	7
Social Security Benefits	7	13	33	9	93
Veterans Benefits	6	7	8	6	16
Food Stamps	73	84	62	68	47
Medicaid	37	59	50	52	45
Housing Assistance (e.g., Section 8, Public Housing, Tenant Assistance, Housing Vouchers)	20	29	18	22	7
Currently Receiving Means-Tested Government Benefits^a					
Any, including food stamps	45	70	56	60	48
Any other than food stamps	28	57	47	49	40
Ever Received Means-Tested Government Benefits^a					
Any, including food stamps	81	93	74	78	65
Any other than food stamps	58	78	61	62	59

Source: Urban Institute analysis of weighted 1996 NSHAPC client data.

* Denotes a value that is greater than 0 but less than .5. ^a AFDC, GA, SSI, Food Stamps, and housing assistance.

Figure 5.2
Sources of Income Reported by Clients, by Homeless Status



Source: Urban Institute analysis of weighted 1996 NSHAPC client data . **"Other" includes veterans benefits, pensions, survivor benefits or disability and other.

work activity over a lifetime determines their levels of benefits; receipt does *not* depend on meeting a particular (low) income threshold. SSI, on the other hand, is a *means-tested* federal program for the aged, blind, and disabled; usually only people 65 and older, or with documented chronic and relatively severe disabilities, are able to establish eligibility for SSI, in addition to which they have to have incomes well below the poverty line.

The survey also asked about clients' receipt of two other means-tested government benefits, Aid to Families with Dependent Children (AFDC) and General Assistance (GA).² Ten percent of homeless clients received AFDC and 9 percent reported receiving GA over the last 30 days. Eligibility for AFDC, which is a federal/state program, requires that a person has child(ren) under 18 in their care, and also meets strict income guidelines. As only 15 percent of homeless clients live with their minor children, it is not surprising that receipt of AFDC is so low for all homeless clients. Among the 15 percent of homeless clients who live with their minor children, 52 percent³ report receiving AFDC.

General Assistance, where it exists, is a state and sometimes a local government program. Usually families with children are eligible, as are single adults with disabilities, but many states and localities do not allow able-bodied adults without children to receive General Assistance. These eligibility rules help explain why receipt of General Assistance is also quite low among homeless clients, although it is about equal for clients in families (10 percent) and single homeless clients (9 percent).

While relatively small shares of clients receive benefits from any single government program, a much larger share, 45 percent, receive benefits from at least one means-tested government program. Fewer than one-third (28 percent), however, receive benefits from a means-tested program other than food stamps. Among homeless clients in families, these figures increase to 79 and 62 percent, respectively. Thus, the majority of these clients are participating in government programs designed to assist poor people.

Current Employment and Unemployment Patterns

Forty-four percent of homeless clients did some type of paid work during the 30 days before being interviewed (table 5.3). However, only 20 percent of all homeless clients report having at least one job that has lasted or is expected to last more than three months, while 27 percent report earning money in the last 30 days only from short-term jobs such as temporary non-farm or farm work, a day or pick-up job, or peddling (figure 5.3; clients could name more than one type of job).

² These data were collected in 1996, when AFDC was still operating and before the development of any substantial changes due to federal welfare reform. Homeless clients (those answering Section 2 of the survey) were not asked about current receipt of housing assistance.

³ 90% C.I.= \pm 8 percentage points.

Table 5.3
Employment Characteristics, by Homeless Status

	Homeless Status			Other Service Users, by Age Category	
	Currently Homeless Clients (N=2938)	Formerly Homeless Clients (N=677)	Other Service Users (N=518)	Other Service Users Under Age 65 (N=410)	Other Service Users 65 and Older (N=108)
Did Any Type of Paid Work During the Last 30 Days	44(%)	34(%)	28(%)	37(%)	5(%)
Types of Work Over the Last 30 Days					
At a job has had for three months or more with the same employer	13	14	16	21	2
At a job has had for less than three months but which expects to continue for three or more months	7	7	4	5	0
At a temporary job (expect to last less than three months), non-farmwork	8	6	3	4	0
A temporary job, farmwork	3	*	1	2	0
At a day job or pick-up job that lasts only a few hours, or one or two days	14	5	5	6	1
Peddling	2	2	*	*	0
Other	3	3	2	3	1
During the Last 30 Days, The Amount of Hours Usually Worked Per Week					
1-10	7	7	4	5	0
11-20	7	6	4	6	1
21-30	6	4	6	8	1
31-40	12	10	8	11	1
More than 40	3	2	2	3	0
Don't Know	6	3	2	3	0
Since 16 Years Old, the Amount of Time in Life Have Had A Job or Done Some Work for Pay					
All of the time	35	35	42	40	48
Most of the time	30	27	23	23	25
Half of the time	14	11	8	7	9
Some of the time	14	17	17	17	16
Almost none of the time	4	7	5	7	2
Never	4	3	5	7	1

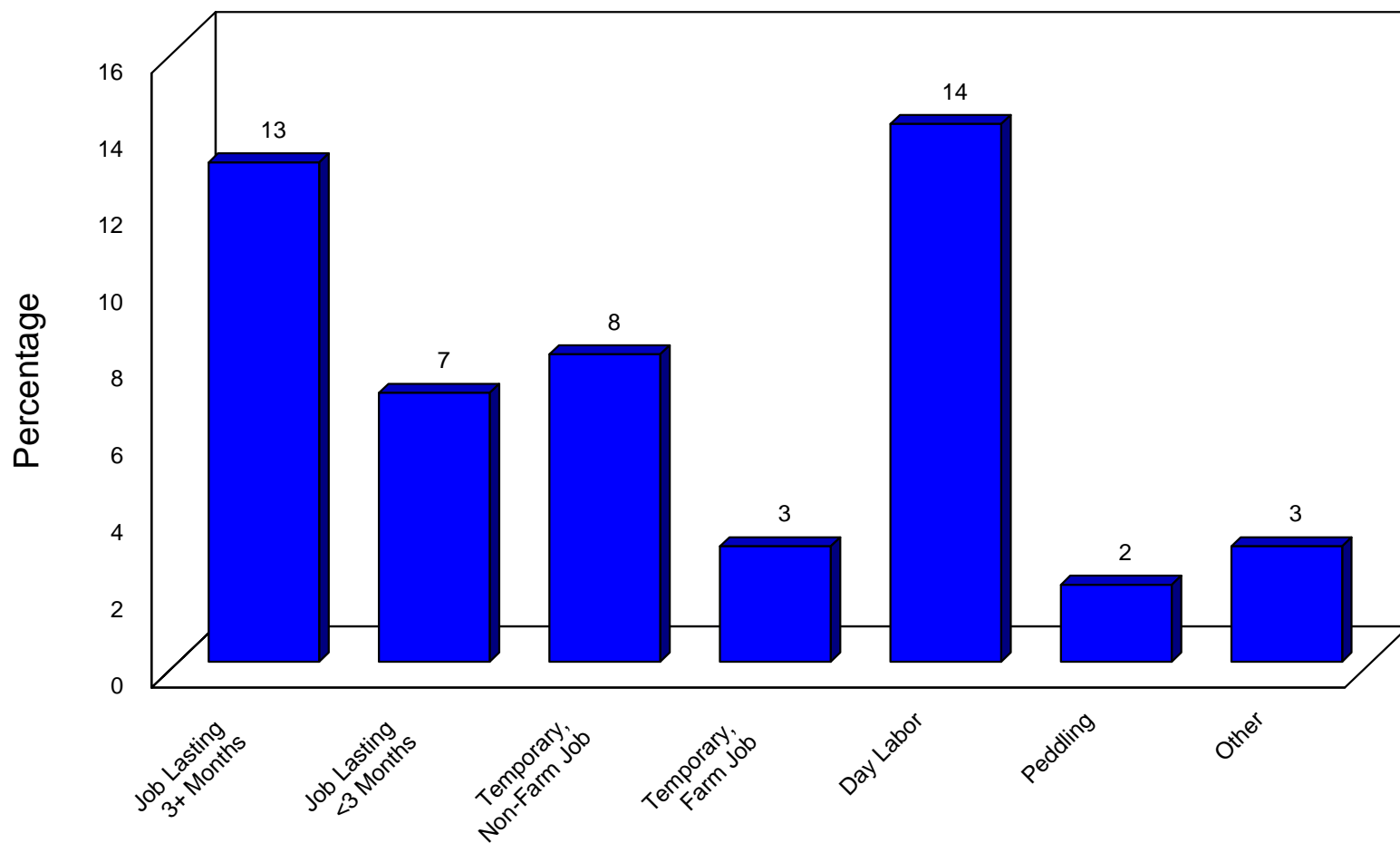
Source: Urban Institute analysis of weighted 1996 NSHAPC client data.

Note: Percentages do not sum to 100% or other total due to rounding.

* Denotes a value that is greater than 0 but less than .5.

Figure 5.3

Type of Work Reported by Homeless Clients Who Work



Source: Urban Institute analysis of weighted 1996 NSHAPC client data .

Hours per week spent working followed the same pattern. Over the last 30 days, 15 percent of homeless clients worked in paid employment other than peddling or “other” for 31 or more hours a week and another 13 percent of homeless clients worked in paid employment for 11 to 30 hours a week.

The survey asked the 56 percent of homeless clients who were not in paid employment, including those who reported that their paid work was only peddling or “other,” to provide the primary reasons they were not currently working. The most common responses are “other” reasons (14 percent), health reasons (9 percent), personal/family/school issues (9 percent), being fired because their employer considered their performance to be unsatisfactory (7 percent), and slack work or business conditions, resulting in layoffs (7 percent).

In addition to the 44 percent of homeless clients who reported paid employment, another 43 percent do not have a regular job but want one. Twenty-eight percent of all homeless clients are unemployed and are currently looking for work. Among the 28 percent of homeless clients who do not currently have work and are not looking for a job, the most common reason given for being out of the labor market is an illness/physical disability (14 percent).

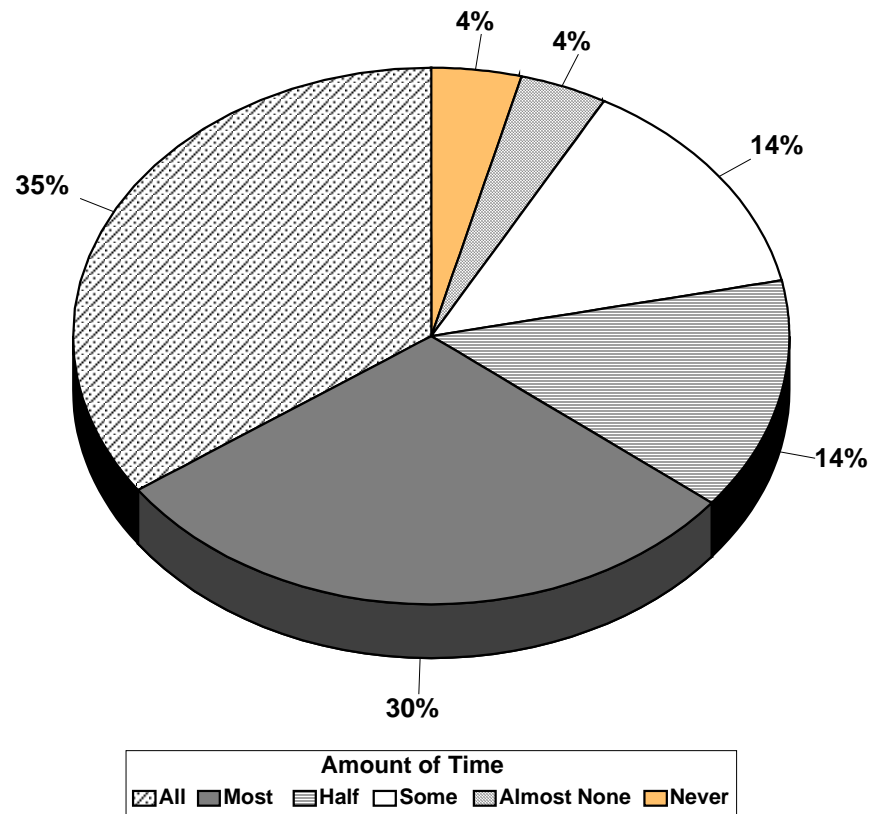
Lifetime Employment Patterns

It is also interesting to consider how lifetime employment patterns compare to homeless clients’ employment situation at the time they were interviewed for NSHAPC. A large proportion of homeless clients report having worked for most of their lives, even though they are not working now (figure 5.4). Sixty-five percent of homeless clients have worked all or most of their lives since the age of 16. Thirty-five percent of homeless clients have worked at a steady job or at least done some work for pay all of the time, 30 percent have worked most of the time, 14 percent have worked half of the time, 18 percent have worked less than half to almost none of the time, and only 4 percent have never worked.

The survey also asked the 56 percent of clients who are not currently in paid employment to report when they last worked for pay at a full-time job or business lasting two consecutive weeks or more (table 5.4).⁴ Nineteen percent of all homeless clients have never worked or have not worked in a job lasting two or more consecutive weeks for at least five years. Another 20 percent did not work at such a job during the year before their NSHAPC interview, but did do so one to five years before the interview. Finally, 21 percent of homeless clients worked at the same job for more than two consecutive weeks during the year before participating in NSHAPC.

⁴ It is important to realize that NSHAPC did not ask this question of homeless clients who report any paid employment in the last 30 days, but did ask it of those who reported only peddling or some “other” type of work. Recall that the majority of these homeless clients have only temporary jobs, so they too may not have long-lasting jobs even though they work for pay. Had these homeless clients been asked when they last had a job of two or more weeks duration, the percentages reported here would almost certainly be larger.

Figure 5.4
Proportion of Time Since Age 16 that Homeless Clients Spent Working



Source: Urban Institute analysis of weighted 1996 NSHAPC client data.

Table 5.4

Characteristics of Clients Who Did Not Have Paid Employment Over the Last 30 Days, by Homeless Status

	Homeless Status			Other Service Users, by Age Category	
	Currently Homeless Clients (N=2938)	Formerly Homeless Clients (N=677)	Other Service Users (N=518)	Other Service Users Under Age 65 (N=410)	Other Service Users 65 and Older (N=108)
Did Not Have Paid Employment Over the Last 30 Days	56(%)	66(%)	72(%)	63(%)	95(%)
When Last Worked for Pay at a Full-Time Job or Business Lasting 2 Consecutive Weeks or More					
Within past 3 months	8	7	4	5	1
3 months to 6 months ago	8	3	4	5	2
6 months to a year ago	5	3	4	6	1
1 to 2 years ago	8	8	5	7	*
2 to 3 years ago	4	4	3	4	1
3 to 4 years ago	4	4	3	3	5
4 to 5 years ago	4	4	4	3	7
5 or more years ago	15	33	41	26	80
Never worked	4	3	5	7	1
Why Left Last Job or Business Lasting 2 Consecutive Weeks or More					
Personal, family (including pregnancy) or school	9	9	7	8	7
Health	9	17	29	21	49
Retirement or old age	1	2	9	1	29
Seasonal job completed	2	3	1	2	0
Seasonal farmwork ended	*	0	1	1	0
Slack work or business conditions, laid off	7	6	7	8	6
Temporary-nonseasonal job completed	3	4	2	2	*
Unsatisfactory work arrangements (hours, pay, etc.)	4	7	3	4	1
Fired because employer considered performance to be unsatisfactory	7	5	1	1	*
Other	14	15	9	12	4
Want a Regular Job Now, Either Full- or Part-Time					
Yes	43	40	23	26	16
Maybe	3	6	6	7	4
Looking for Work Now	28	22	18	24	1
Reasons Not Looking For Work					
Already have a job	1	*	*	*	0
Believe no work available in line of work or area	*	1	2	*	6
Couldn't find any work	1	2	*	*	0
Lack necessary schooling, training, skills or experience	2	4	3	4	0
Ill health, physical disability	14	25	38	28	62
Can't arrange child care	1	1	2	2	0
Family responsibilities	2	1	4	5	2
In school or other training	2	2	*	1	0
Other	13	15	13	5	32

Source: Urban Institute analysis of weighted 1996 NSHAPC client data. Note: Percentages do not sum to other total due to rounding. * Denotes a value that is greater than 0 but less than .5.

Lifetime Receipt of Government Benefits

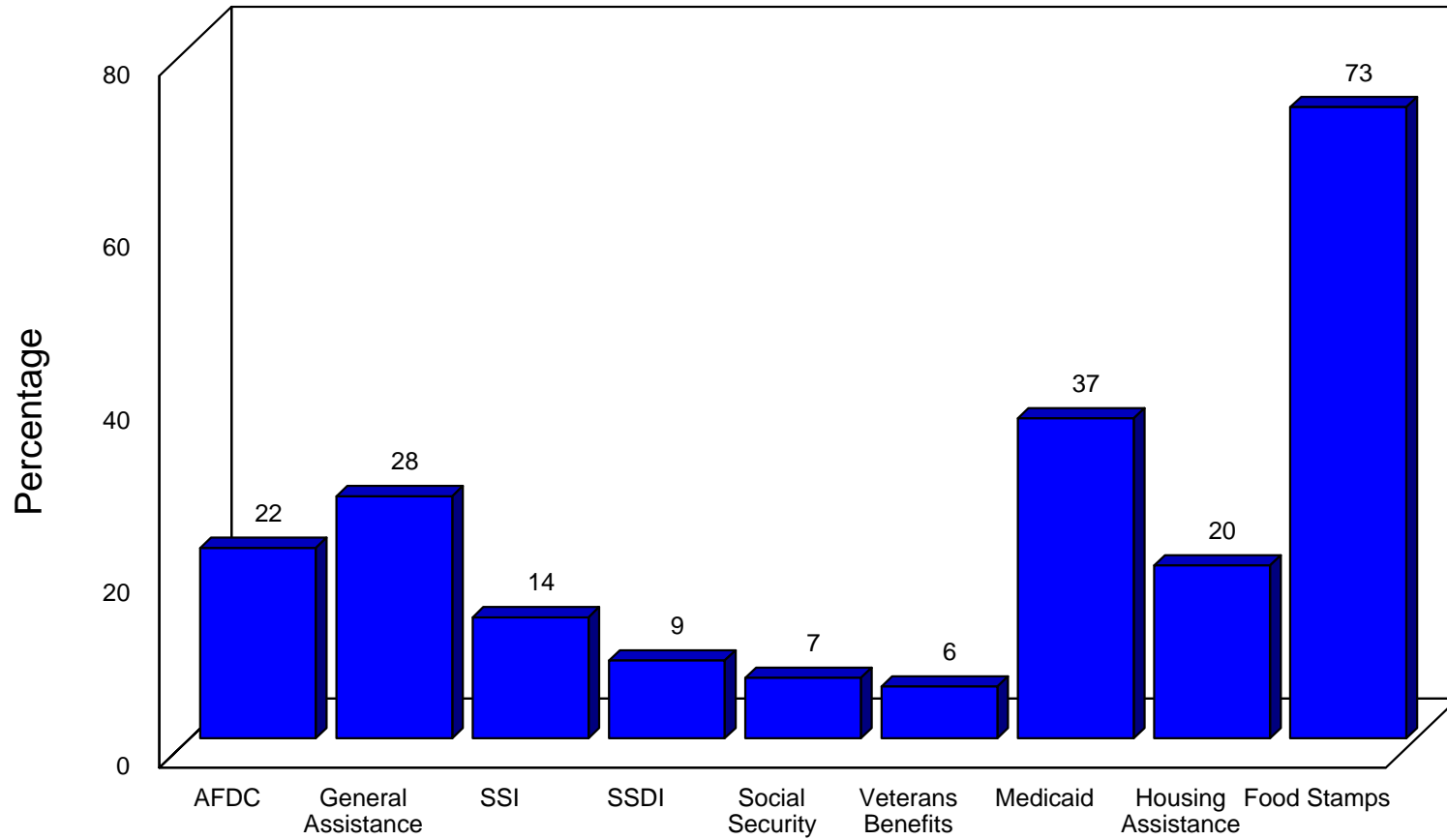
One hypothesis about immediate precursors to homelessness is that people who were receiving some type of government benefits lost them for various reasons, and the loss of this income (or other resource, in the case of food stamps) left them without sufficient resources to maintain themselves in housing. Therefore all clients were asked whether they had ever participated in any of a variety of government benefit programs (table 5.2). If they had, and if they were also classified as ever having been homeless, they were also asked whether they were receiving benefits when they became homeless. If they said they were not, they were asked whether any benefits had been terminated during the year before they became homeless. Appendix table 5.A2 reports detailed results for lifetime receipt of government benefits for all homeless clients; charts and graphs highlight the clearest differences. Appendix table 5.A5 reports findings for the more detailed questions, although these are not discussed in detail here.

In general, only small shares of homeless clients have participated in specific government programs at any time in their life (figure 5.5). The one government program that has benefited 73 percent of homeless clients is the Food Stamp Program. The next most common benefits are Medicaid (which 37 percent of homeless clients have ever received), General Assistance/Public Assistance/Home Relief/General Relief (28 percent), AFDC (22 percent), housing assistance⁵ (20 percent), and SSI (14 percent). When one considers lifetime use of any means-tested program, however, the majority of clients are able to report that they have received government benefits, even if one excludes food stamps. Eighty-one percent of homeless clients have used at least one means-tested program at some point in time and 58 percent have used a program other than food stamps.

One issue of some concern to policy makers is whether loss of cash or other benefits precipitates a homeless episode; NSHAPC asked clients about this possibility. Results indicate that very few clients lost benefits during the year preceding their current homeless episode; 3 percent lost AFDC, 10 percent lost food stamps, 5 percent lost general assistance, and 1 percent each lost SSI and housing assistance. However, results also indicate that equal or higher proportions of homeless clients are receiving particular benefits now than were doing so when they became homeless. For AFDC, 10 percent receive it now versus 8 percent who did so when their present homeless episode began; for general assistance the proportions are 9 and 7 percent; and for SSI they are 11 and 7 percent. The only significant change in proportion receiving a benefit occurs for food stamps, and that proportion is significantly *higher* (37 percent) at the time of the NSHAPC interview than it was when the clients became homeless (28 percent). Thus for NSHAPC clients, termination of government benefits does not appear to have immediately preceded their current homeless episode. Because the sample sizes are small and estimates

⁵ Clients were asked only a general question about receipt of housing assistance in their lifetime. The question used “Section 8, Public Housing, Tenant Assistance, Housing Vouchers” as examples, but clients were not asked which specific programs they used.

Figure 5.5
Lifetime Receipt of Government Benefits by Homeless Clients



Source: Urban Institute analysis of weighted 1996 NSHAPC client data .

unstable for questions on the receipt or stoppage of benefits prior to becoming homeless, these results are not discussed further.

Differences by Family Status

Not surprisingly, there are differences in income, income sources, and employment of homeless clients by clients' family status (Appendix tables 5.A1 through 5.A4). Clients in families have higher current incomes, receive more public assistance, and work less compared to single homeless clients. There are also large differences in lifetime measures of income and employment. Homeless clients in families have received more government assistance in the past while single homeless clients have more extensive work histories.

Income Level and Sources. Homeless clients in families report an average income of \$475 and a median income of \$418 compared to single homeless clients, who have an average income of \$348 and median income of \$230. While they have higher income, homeless families also have children to take care of. These income levels mean that homeless families had a median income during the past month of 41 percent of the 1996 federal poverty level of \$1,023 for a family of three. Single homeless clients' median income constitutes 34 percent of the 1996 federal poverty level of \$680 for a single person.

In addition to income levels, income sources vary by family status (figure 5.6). Homeless clients who live with their minor children are less likely than single homeless clients to have received income from working (31 versus 52 percent) and other sources (14 versus 30 percent). They are far more likely, however, to be receiving means-tested benefits (62 versus 22 percent), income from family, friends, or a spouse (32 versus 19 percent), and food stamps. Homeless clients in families are also more likely than single homeless clients to supplement their income with food stamps (71 versus 31 percent).

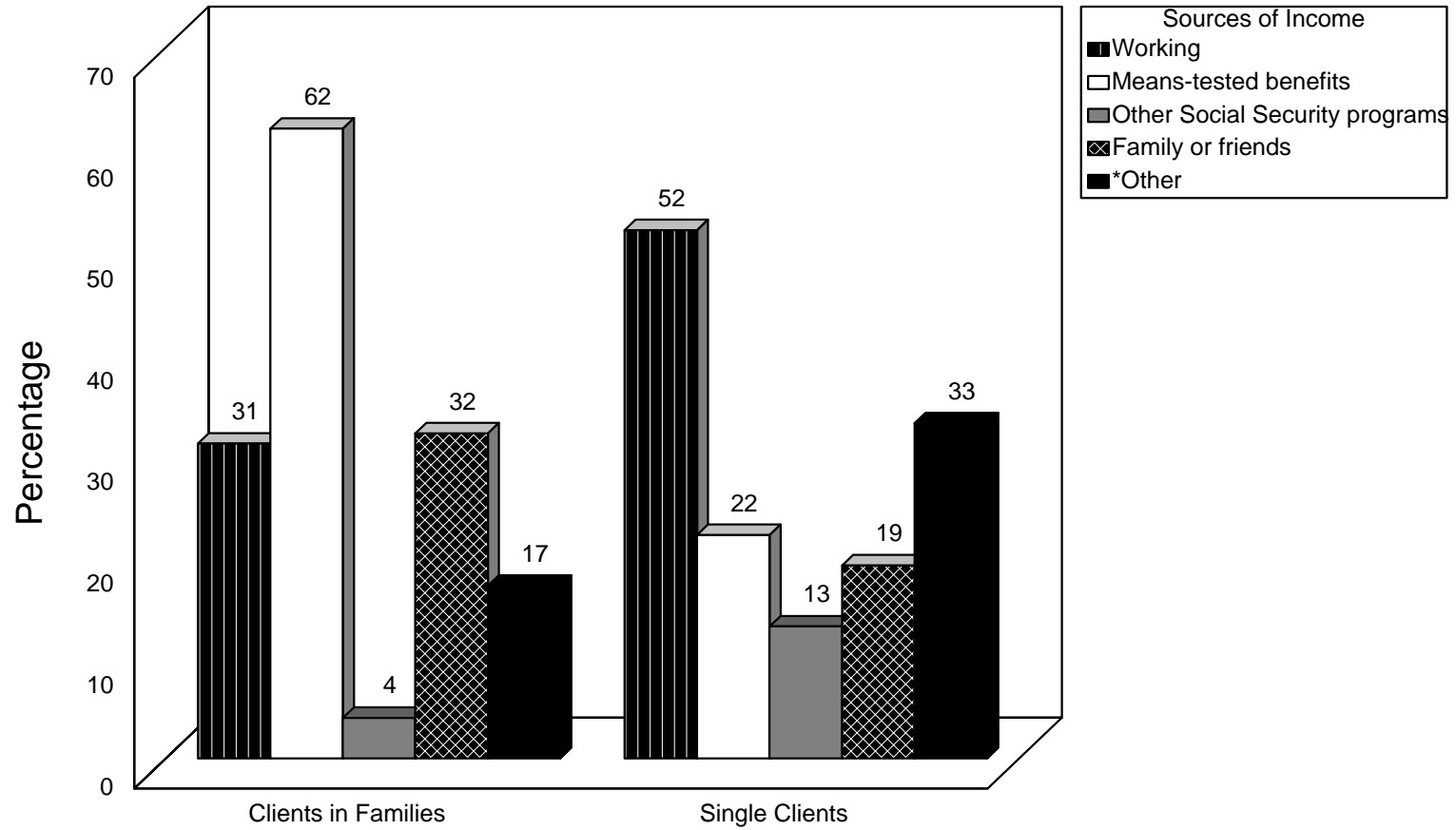
Current Employment and Unemployment Patterns. While homeless clients in families are less likely than single homeless clients to have worked over the past 30 days, they are more likely to report wanting paid work. Sixty percent want a regular job now, compared to 40 percent of single homeless clients.

The reasons homeless clients are not looking for work also vary by family status. Homeless clients in families are more likely than single homeless clients to report not looking for work because of family responsibilities (10 percent compared to less than 1 percent) and less likely than single homeless clients to report ill health or physical disability as the reason they are not looking for work (5 percent compared to 16 percent).

Lifetime Employment and Unemployment Patterns. As with current employment patterns, homeless clients in families are less likely than single homeless clients to have worked all or most of their lives since age 16 (56 versus 66 percent). The two groups also provide

Figure 5.6

Sources of Income Reported by Homeless Clients by Family Status



Source: Urban Institute analysis of weighted 1996 NSHAPC client data . *"Other" includes veterans benefits, pensions, survivor benefits or disability and other.

different reasons for having left their last job. Twenty-six percent of homeless clients in families report that they left their last job because of personal reasons compared to 6 percent of single homeless clients.

Lifetime Receipt of Government Benefits. Besides being far more likely to receive public benefits, homeless clients in families are far more likely than single homeless clients to have received various government benefits over their lifetime. For AFDC the figures are 80 versus 12 percent; for Medicaid, 76 versus 30 percent; for food stamps, 95 versus 69 percent; and for housing assistance, 32 versus 18 percent.

Differences by Alcohol, Drug, or Mental Health Problems

Homeless clients with an alcohol, drug, or mental health (ADM) problem in the past month report making less money over the past 30 days than homeless clients without such problems, although the two groups report similar employment patterns and income sources during that period. Over their lifetime, however, clients with past month ADM problems are more likely to have received general assistance, while those without ADM problems are more likely to have received AFDC.

Income Level and Sources. Homeless clients with and without ADM problems in the past month have very different incomes (figure 5.7). Homeless clients with past month ADM problems had an average total income over the last 30 days of \$337 and a median income of \$221, compared to an average income of \$427 and a median income of \$395 among those without such problems.

Current and Lifetime Employment Patterns. Homeless clients with and without ADM problems have very similar current and lifetime employment patterns. A comparable share of both groups (43 percent with past month ADM problems and 46⁶ percent without them) did any type of paid work during the last 30 days. Additionally, similar proportions of both groups have worked all or most of the time since age 16 (66 percent of homeless clients with past month ADM problems and 63⁷ percent of homeless clients without these problems).

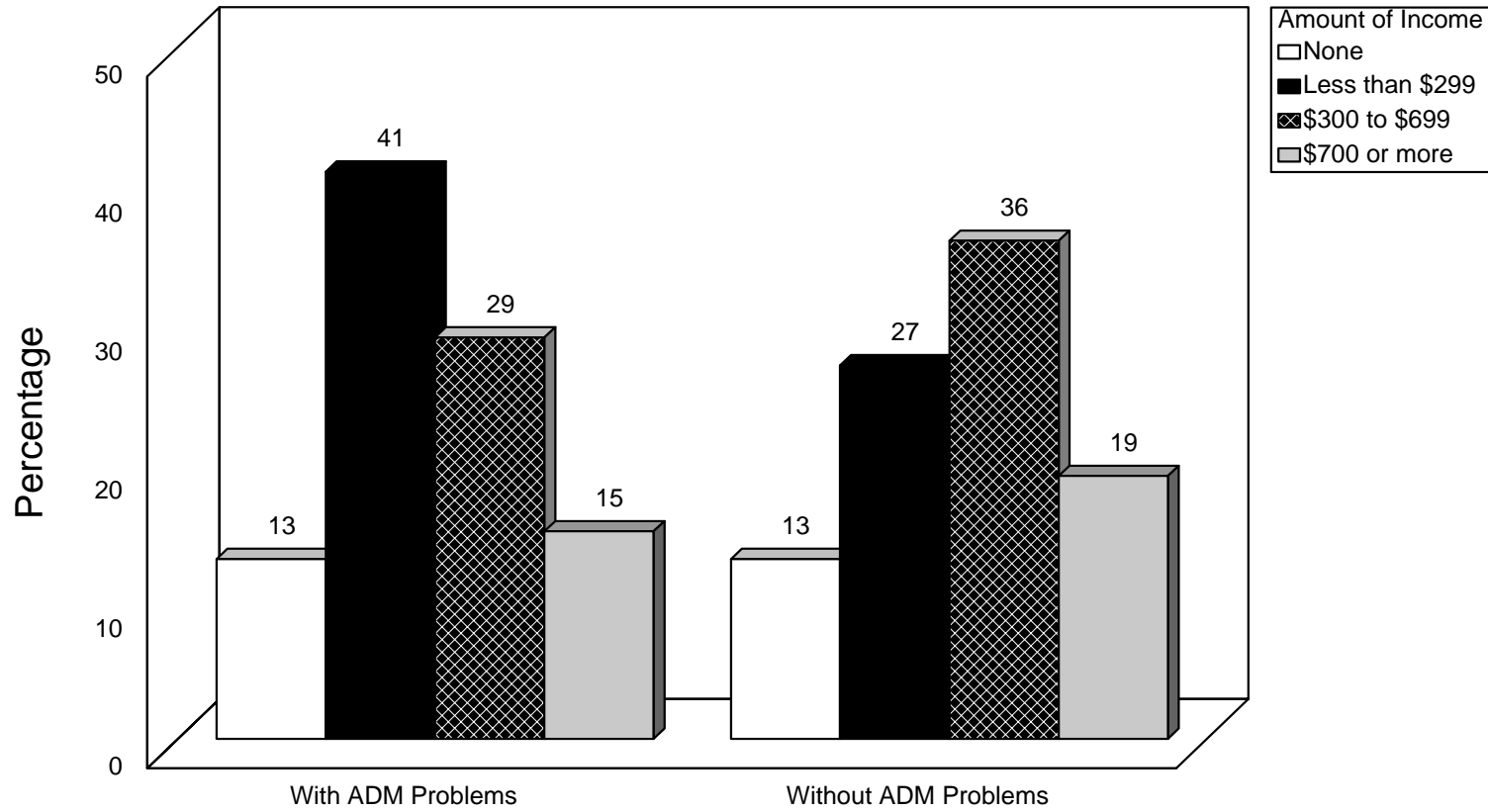
Lifetime Receipt of Government Benefits. Unlike their similar employment patterns, homeless clients with past month ADM problems are more likely than homeless clients without these problems to have received government benefits over their lifetime. Thirty-two percent of clients with one or more such problems report ever receiving General Assistance compared to 19 percent of homeless clients without such problems.

⁶ 90% C.I.= ± 5 percentage points.

⁷ 90% C.I.= ± 5 percentage points.

Figure 5.7

Amount of Income Received by Clients in the Last 30 Days, by ADM Status



Source: Urban Institute analysis of weighted 1996 NSHAPC client data.

Differences by Race/Ethnicity

Income, income sources, and employment patterns over the last 30 days also vary by the client's race/ethnicity. These differences persist when examining lifetime measures of employment and receipt of government benefits.

Income Level and Sources. Appendix table 5.A1 shows that white non-Hispanic homeless clients have a higher average and median income than that of black non-Hispanic, Hispanic, or Native American homeless clients (average incomes of \$411, \$337, \$355, \$316 and median incomes of \$362, \$212, \$275, and \$182, respectively).

Large differences are also found in income sources over the past 30 days. Whites are less likely than black non-Hispanic homeless clients to have received AFDC or GA (23 percent compared to 30 percent). However, white and Hispanic homeless clients are more likely than black non-Hispanic homeless clients to have received income from "other" sources (31, 34, and 22 percent, respectively). Also, homeless Hispanic clients are more likely than their white or black non-Hispanic counterparts to receive income from family, relatives, friends, or a spouse (29, 20, and 19 percent, respectively).

Current Employment and Unemployment Patterns. Unemployed homeless clients from different racial/ethnic groups also report very different reasons for why they are not currently working. Twelve percent of homeless Hispanic clients report that they left their last job because of unsatisfactory work arrangements, compared to 2 and 4 percent of white and black clients, respectively. Also, black non-Hispanic homeless clients are more likely to report having left their last job because slack work or business conditions caused layoffs, compared to white non-Hispanic and Hispanic homeless clients (12 percent versus 3-4 percent).

Lifetime Receipt of Government Benefits. Differences by race/ethnicity are also found in lifetime receipt of government benefits. White non-Hispanic homeless clients, for example, are more likely than black non-Hispanic and Hispanic homeless clients to have ever received government housing assistance (26 percent compared to 14 to 17 percent) and SSI (14 compared to approximately 5 percent). Also, black non-Hispanic homeless clients are more likely than homeless clients of other races to have ever received GA (32 percent compared to 23 to 24 percent). Only 19 percent of Native Americans have ever received Medicaid compared to 37 to 40 percent of clients in other racial groups. Also, Hispanic homeless clients are less likely to report receiving food stamps in their lifetime than white or black non-Hispanic homeless clients (54 percent compared to 77 and 75 percent of white and black clients).

CURRENTLY AND FORMERLY HOMELESS CLIENTS AND OTHER SERVICE USERS COMPARED

Many people are interested in understanding how the income, income sources, and employment patterns of currently homeless clients compare to formerly homeless and other service users. In

addition, it is interesting to learn what differences and similarities in income and employment characteristics exist between formerly homeless clients and other service users. Tables 5.1-5.4 show the relevant comparisons.⁸

Current Income Levels and Sources

Income, income sources, and participation in public benefit programs all vary by homelessness status. Currently homeless clients reported receiving an average income of \$367 and a median income of \$300 over the last month, which is significantly lower than for any other group. Formerly homeless clients took in an average of \$470 and a median of \$462 and other service users under 65 got an average of \$538 and a median of \$480 (figure 5.8). Note, however, that none of these monthly incomes and only the mean income of other service users 65 and older (\$688 mean and \$599 median) reach the federal poverty line for a single-person household (the lowest level possible).

Homelessness status also affects food stamp receipt. Formerly homeless clients report rates of food stamp receipt that, at 48 percent, are higher than those for currently homeless clients (37 percent) or other service users 65 and older (25 percent). Other service users 65 and older are the least likely of any group to receive food stamps.

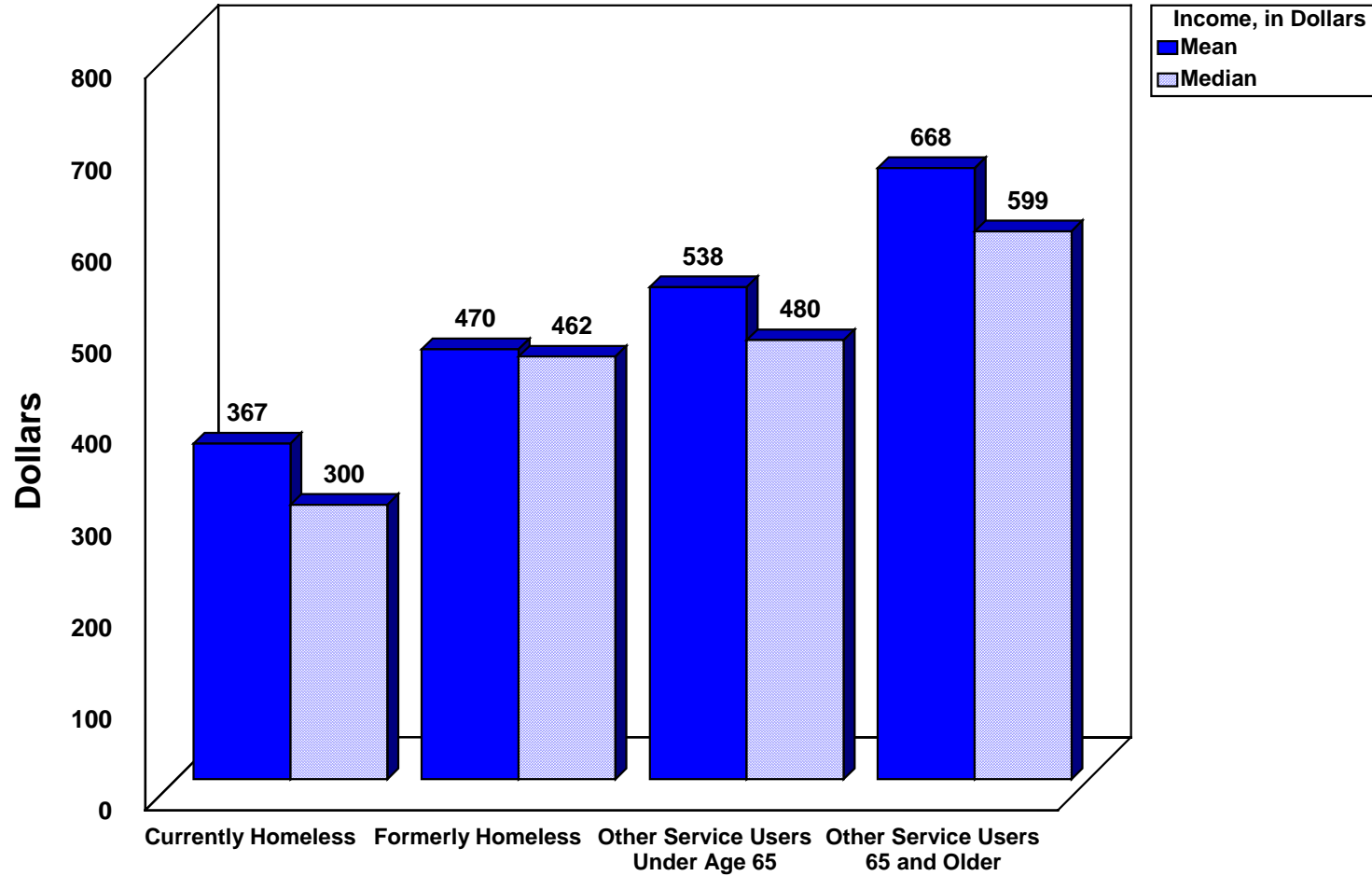
In addition to having very different income levels, clients report very different income sources depending on their homelessness status (figure 5.2). Currently homeless clients are more likely than clients in any other group to have received income from work, while other service users 65 and above are more likely to have received income from Social Security. Forty-nine percent of currently homeless clients received income over the last 30 days from work, compared to only 5 percent of other service users 65 and older. In contrast, 91 percent of other service users 65 years of age and above received income from other Social Security programs over the last 30 days compared to 11 to 22 percent of all other clients. There are also differences in current receipt of welfare benefits between currently and formerly homeless clients. Twenty-eight percent of currently homeless clients report receiving means-tested benefits over the last 30 days, compared to 51 percent of formerly homeless individuals in the NSHAPC sample. Additionally, other service users 65 and older are the most likely to be receiving veteran benefits (20 versus 2 to 4 percent).

In addition to differences in income sources, there are large variations in government housing assistance. Currently homeless clients are the least likely to report they are currently receiving housing assistance or a subsidy (2 versus 15 to 27 percent).

⁸ See page 2-6 for the reasons why the group of other service users is split into two groups by age for textual discussions.

Figure 5.8

Mean and Median Income Reported by Clients For Last 30 Days, by Homeless Status



Source: Urban Institute analysis of weighted 1996 NSHAPC client data .

Current Employment and Unemployment Patterns

While currently homeless clients are more likely than other clients to report paid work, they are no more likely than formerly homeless clients or other service users under 65 to be in long term-employment. Approximately 20 percent of each group reports long-term employment over the last 30 days. However, again, other service users 65 and older display a distinctly different pattern with only 2 percent reporting long-term employment. Additionally, this group is the least likely to hold short-term employment (1 versus 12 to 27 percent). By contrast, currently homeless clients are the most likely to report only making money in the last 30 days from short-term jobs (27 versus 1 to 13 percent).

Depending on their homelessness status and age, clients also report different reasons for leaving their last job. A much larger proportion of other service users 65 and older left their last job because of retirement/old age (29 percent) than is true for all other clients. In addition, 49 percent of other service users 65 and older left their last job because of health problems, compared to 9 to 21 percent of clients in the remaining three groups.

Respondents who are currently or formerly homeless are also far more likely to want a regular job now (43 and 40 percent, respectively) than other service users 65 and older (16 percent). Finally, other service users 65 and older are much more likely than other clients to report they do not look for work due to health or disability reasons (62 versus 14 to 28 percent).

Lifetime Employment Patterns

There are no significant differences in lifetime employment patterns of currently homeless clients, formerly homeless clients, and other service users (table 5.3). Similar proportions of all four groups report working all or most of their time since the age of 16 (62 to 73 percent).

While other service users 65 and older report working as much since the age of 16 as all other clients, they are less likely than all other clients to have worked within the last several years in a job for two consecutive weeks or more. Eighty-one percent of other service users 65 and older have never worked or have not worked for five or more years, compared to 19 to 36 percent of all other clients. Their greater age probably accounts for much of this difference.

Lifetime Receipt of Government Benefits

In addition to large differences in current receipt of public benefits by homeless status, one can see that homelessness status affects lifetime receipt of various governmental benefits (table 5.2). For example, 84 percent of formerly homeless clients have received food stamps in their lifetime

compared to only 47 percent of other service users 65 years of age and older. Similarly, only 7 percent of other service users 65 and over received housing assistance compared to 20 to 29 percent of all other clients. For Social Security programs, currently homeless clients are the least likely to have ever received Supplemental Security Income (14 versus 24 to 34 percent). In addition, other service users have the highest lifetime receipt of Social Security benefits, with 93 percent receiving them compared only 7 to 13 percent of all other clients.

Appendix Table 5.A1
Income of Homeless Clients, by Standard Groupings

	All Homeless Clients (N=2938)	Family Status		ADM, Past Month@		Race/Ethnicity			
		Clients in Families (N=465)	Single Clients (N=2473)	With ADM (N=1826)	Without ADM (N=1112)	White Non-Hispanic (N=1176)	Black Non-Hispanic (N=1275)	Hispanic (N=335)	Native American (N=106)
Mean Income (Last 30 Days)^a	\$367	\$475	\$348	\$337	\$427	\$411	\$337	\$355	\$316
Median Income (Last 30 Days)^a	300	418	230	221	395	362	212	275	182
Over the Last 30 Days, Total Income From All Sources									
No Income	13(%)	8(%)	14(%)	13(%)	13(%)	12(%)	14(%)	13(%)	Insufficient N
Less than \$100	17	6	19	20	13	16	18	13	
\$100 to 299	19	16	20	21	14	17	22	24	
\$300 to 499	18	29	16	17	19	17	19	19	
\$500 to 699	14	18	13	12	17	16	11	15	
\$700 to 799	4	6	4	5	3	6	2	1	
\$800 to 999	5	6	4	4	5	3	5	9	
\$1,000 to 1,199	3	3	3	3	4	4	3	2	
\$1,200 or more	4	6	4	3	7	6	4	2	
Income Below \$500	67	59	69	71	59	62	73	69	Insufficient N
Currently Receive Food Stamps	37	71	31	36	40	38	38	34	37
Amount of Food Stamps Per Month									
\$1-10	1	*	1	1	1	1	2	*	0
\$11-60	4	1	5	4	5	6	2	3	5
\$61-114	6	4	6	6	6	5	8	3	3
\$115-120	13	1	15	15	9	14	13	10	10
\$121-199	4	18	2	4	4	4	2	9	4
\$200-299	5	25	2	3	9	2	6	5	14
\$300-399	3	17	*	2	5	4	2	3	0
Currently Receive Housing Subsidy or Housing Assistance	2	1	2	1	4	4	*	1	*

Source: Urban Institute analysis of weighted 1996 NSHAPC client data. Note: Percentages do not sum to 100% or other total due to rounding.

* Denotes a value that is greater than 0 but less than .5. Insufficient N signifies that sample size was too small for data to be reported.

@ADM = Alcohol, drug, or mental health problem in the past month.

Appendix Table 5.A2
Income Sources of Homeless Clients, by Standard Groupings

	Family Status			ADM, Past Month@		Race/Ethnicity			
	All Homeless Clients (N=2938)	Clients in Families (N=465)	All Others Clients (N=2473)	With ADM (N=1826)	Without ADM (N=1112)	White Non-Hispanic (N=1176)	Black Non-Hispanic (N=1275)	Hispanic (N=335)	Native American (N=106)
Received Any Money From The Following Sources In the Last Month (Large Categories)									
Working	49(%)	31(%)	52(%)	49(%)	50(%)	46(%)	51(%)	50(%)	62(%)
Means-tested benefits	28	62	22	26	31	23	30	30	33
Other Social Security programs	11	4	13	13	9	18	7	6	6
Veteran's benefits	2	1	2	2	2	3	2	1	1
Other pensions, benefits, compensation	2	2	1	2	2	3	1	1	*
Family or friends	21	32	19	21	19	20	19	29	19
Other	27	14	30	30	23	31	22	34	23
Received Any Money From The Following Sources In the Last Month									
Working									
Working	36	26	38	34	42	37	36	32	40
Day Labor	18	3	20	20	13	13	17	23	40
Peddling or selling personal belongings	9	6	10	11	6	11	9	9	5
Means-tested cash benefits									
Aid to Families with Dependent Children (AFDC)	10	52	3	7	15	6	11	14	16
General assistance such as CA, PA, HR, GR	9	10	9	9	8	7	12	8	8
Supplemental Security Income (SSI)	11	11	11	11	10	13	9	12	10
Other Social Security programs									
Social Security (Survivors and Retirement)	3	1	4	2	6	5	3	1	1
Social Security Disability Insurance (SSDI)	8	3	9	11	3	13	4	5	5
Veteran's benefits									
Veteran's disability payments	1	1	2	1	1	2	1	1	1
Veteran's pension (not disability related)	1	0	1	1	1	1	1	0	0
Other pensions, benefits, compensation									
Other pensions	*	0	*	*	1	1	*	*	0
Other survivor benefits	*	0	*	*	0	*	*	0	*
Private disability insurance	*	*	*	*	*	*	*	*	0
Unemployment compensation	1	2	1	1	1	1	1	*	0
Other spousal benefits	*	*	*	*	*	*	0	*	0
Family or friends									
Parents	9	15	8	10	6	8	6	18	13
Spouse	2	8	1	1	3	3	1	2	*
Other relatives	5	7	5	5	5	6	5	6	*
Friends (includes boyfriends or girlfriends)	12	11	12	14	8	11	13	10	19
Child support	1	6	*	1	3	2	1	1	0
Other									
Asking for money on the streets	8	1	9	10	4	8	8	7	6
Blood or plasma center	3	3	4	4	2	4	4	1	3
Illegal activities	4	2	4	5	1	4	4	6	4
Any other income	17	9	18	17	20	20	12	24	13
Ever Received Any of the Following Benefits									
Aid to Families with Dependent Children (AFDC)	22	80	12	18	29	21	23	22	18
General Assistance	28	25	28	32	19	24	32	23	32
Supplemental Security Income (SSI)	14	13	14	15	11	16	13	11	10
Social Security Disability Insurance Benefits (SSDI)	9	3	10	11	5	14	5	4	5
Social Security Benefits	7	5	8	6	10	10	6	6	1
Veterans Benefits	6	3	7	8	4	8	6	4	1
Food Stamps	73	95	69	74	69	77	75	54	64
Medicaid	37	76	30	39	32	37	40	39	19
Housing Assistance (e.g., Section 8 Public Housing, Tenant Assistance, Housing Vouchers)	20	32	18	20	22	26	17	14	18
Currently Receiving Means-Tested Government Benefits ^a									
Any, including food stamps	45	79	39	45	46	45	46	42	45
Any other than food stamps	28	62	22	26	32	25	30	30	33
Ever Received Means-Tested Government Benefits ^a									
Any, including food stamps	81	97	78	83	76	84	81	63	93
Any other than food stamps	58	93	53	58	59	57	59	53	72

Source: Urban Institute analysis of weighted 1996 NSHAPC client data. * Denotes a value that is greater than 0 but less than .5. ^a AFDC, GA, SSI, Food Stamps, and housing assistance.
 @ADM = Alcohol, drug, or mental health problem in the past month.

Appendix Table 5.A3
Employment Characteristics of Homeless Clients, by Standard Groupings

	All Homeless Clients (N=2938)	Family Status		ADM, Past Month@		Race/Ethnicity			
		Clients in Families (N=465)	Single Clients (N=2473)	With ADM (N=1826)	Without ADM (N=1112)	White Non-Hispanic (N=1176)	Black Non-Hispanic (N=1275)	Hispanic (N=335)	Native American (N=106)
Did Any Type of Paid Work During the Last 30 Days	44(%)	29(%)	46(%)	43(%)	46(%)	41(%)	44(%)	45(%)	58(%)
Sources of Earned Income in Last 30 Days									
Job lasting 3 or more months	13	14	13	12	15	13	17	11	2
Job expected to last 3 or more months	7	5	7	6	8	7	7	8	1
Temporary job, non-farm work	8	3	9	8	10	11	6	8	6
Temporary job, farm work	3	*	3	3	3	1	2	7	16
Day Job or pick-up job	14	6	15	15	11	11	14	16	24
Peddling or selling personal belongings	2	0	3	3	1	2	2	3	3
Other	3	1	3	2	4	1	2	1	16
During the Last 30 Days, The Amount of Hours Usually Worked Per Week									
1-10	7	3	8	8	6	8	6	11	4
11-20	7	4	7	8	4	6	7	10	5
21-30	6	7	6	5	9	7	5	12	3
31-40	12	9	12	11	13	9	16	6	17
More than 40	3	4	2	2	3	3	3	1	1
Don't Know	6	3	7	6	7	7	4	4	16
Since 16 Years Old, the Amount of Time in Life Have Had A Job or Done Some Work for Pay									
All of the time	35	32	35	33	37	37	32	40	25
Most of the time	30	24	31	30	29	28	28	24	57
Half of the time	14	18	13	16	10	11	19	11	6
Some of the time	14	20	13	14	14	17	13	13	5
Almost none of the time	4	3	4	4	4	2	5	6	6
Never	4	4	5	4	6	6	3	6	2

Source: Urban Institute analysis of weighted 1996 NSHAPC client data. Note: Percentages do not sum to 100% or other total due to rounding.

* Denotes a value that is greater than 0 but less than .5. @ADM = Alcohol, drug, or mental health problem in the past month.

Appendix Table 5.A4
Characteristics of Homeless Clients Who Did Not Have Paid Employment Over the Last 30 Days, by Standard Groupings

	All Homeless Clients (N=2938)	Family Status		ADM, Past Month@		Race/Ethnicity			
		Clients in Families (N=465)	Single Clients (N=2473)	With ADM (N=1826)	Without ADM (N=1112)	White Non-Hispanic (N=1176)	Black Non-Hispanic (N=1275)	Hispanic (N=335)	Native American (N=106)
Did Not Have Paid Employment Over the Last 30 Days	56(%)	71(%)	54(%)	57(%)	54(%)	59(%)	56(%)	55(%)	42(%)
When Last Worked for Pay at a Full-Time Job or Business Lasting 2 Consecutive Weeks or More									
Within past 3 months	8	6	8	8	8	8	7	11	Insufficient N
3 months to 6 months ago	8	12	7	7	9	6	9	3	
6 months to a year ago	5	4	5	5	5	5	6	2	
1 to 2 years ago	8	18	6	8	7	10	7	7	
2 to 3 years ago	4	5	4	5	4	4	6	3	
3 to 4 years ago	4	6	4	5	2	5	3	6	
4 to 5 years ago	4	4	4	4	4	2	5	5	
5 or more years ago	15	13	15	15	13	17	12	12	
Never worked	4	4	5	4	6	6	3	6	
Why Left Last Job or Business Lasting 2 Consecutive Weeks or More									
Personal, family (including pregnancy) or school	9	26	6	8	11	11	5	8	Insufficient N
Health	9	8	9	10	7	12	8	4	
Retirement or Old Age	1	*	1	*	3	2	*	0	
Seasonal Job Completed	2	2	2	1	2	*	3	2	
Seasonal farmwork ended	*	0	*	0	*	*	0	*	
Slack work or business conditions, laid off	7	4	7	7	7	3	12	4	
Temporary-nonseasonal job completed	3	6	3	3	3	2	5	2	
Unsatisfactory work arrangements (hours, pay, etc.)	4	2	4	4	2	2	4	12	
Fired because employer considered performance to be unsatisfactory	7	6	7	7	6	9	6	5	
Other	14	14	14	15	12	15	13	12	
Want a Regular Job Now, Either Full- or Part-Time									
Yes	43	60	40	43	42	37	49	43	42
Maybe	3	4	3	3	3	3	3	3	1
Looking for Work Now									
Yes	28	39	27	28	30	26	31	31	29
Reasons Not Looking For Work									
Already have a job	1	1	1	1	1	1	1	0	0
Believe no work available in line of work or area	*	0	1	1	*	1	*	*	0
Couldn't find any work	1	*	1	*	1	1	*	1	0
Lack necessary schooling, training, skills or experience	2	5	1	1	2	1	2	1	*
Ill health, physical disability	14	5	16	16	12	19	10	11	17
Can't arrange child care	1	4	1	1	1	2	1	*	*
Family responsibilities	2	10	*	1	2	2	1	1	*
In school or other training	2	7	1	2	2	1	3	3	3
Other	13	10	13	13	11	14	13	10	7

Source: Urban Institute analysis of weighted 1996 NSHAPC client data. Note: Percentages do not sum to other total due to rounding.

* Denotes a value that is greater than 0 but less than .5. Insufficient N signifies that sample size was too small for data to be reported.

@ADM = Alcohol, drug, or mental health problem in the past month.

Appendix Table 5.A5
**Income Receipt and Termination of Government Benefits
Among Homeless Clients**

	All Homeless Clients (N=2938)
Time of AFDC Receipt	
Receiving Benefit When Became Homeless	8(%)
Stopped Receiving Benefit Within the Year Before Became Homeless	3
Time of Food Stamp Receipt	
Receiving Benefit When Became Homeless	28
Stopped Receiving Benefit Within the Year Before Became Homeless	10
Time of General Assistance Receipt	
Receiving Benefit When Became Homeless	7
Stopped Receiving Benefit Within the Year Before Became Homeless	5
Time of Housing Assistance Receipt	
Receiving Benefit When Became Homeless	6
Stopped Receiving Benefit Within the Year Before Became Homeless	1
Time of SSI Receipt	
Receiving Benefit When Became Homeless	7
Stopped Receiving Benefit Within the Year Before Became Homeless	1
Time of SSDI Receipt	
Receiving Benefit When Became Homeless	5
Stopped Receiving Benefit Within the Year Before Became Homeless	*
Time of Social Security Benefits Receipt	
Receiving Benefit When Became Homeless	3
Stopped Receiving Benefit Within the Year Before Became Homeless	*
Time of Medicaid Receipt	
Receiving Benefit When Became Homeless	21
Stopped Receiving Benefit Within the Year Before Became Homeless	3

Source: Urban Institute analysis of weighted 1996 NSHAPC client data.

* Denotes a value that is greater than 0 but less than .5.