

Title: *Intergenerational Income Mobility and Family Structure*

Author(s): Gordon Anderson and Teng Wah Leo

Institution/Country: University of Toronto

Intergenerational mobility is addressed through an examination of the role of family structure in the transmission of educational attainment within a family using the one percent Integrated Public Use Microsample Series (IPUMS) of the decennial Census for the decades 1970 and 1990. Two alienation measures, which test the degree to which children from different family structures differ in attainment, indicate that although children from intact family consistently outperform their peers from single parent families, this differential has shrunk between 1970 and 1990. They also indicate improvements in attainment for endogenously (divorced and separated) relative to exogenously (widowed) single parent children, suggesting changes in custody laws over the 1980s had a desirable impact on children from endogenously single parent families. Welfare implications based upon Stochastic Dominance tests accord with the above findings. Assuming a quadratic human capital production technology, we found that income effects are smaller in 1990 than they were in 1970, but the returns to parental educational status increased over the same period. These observations are similar for both intact and endogenously single parent families. Further, there seems to be a convergence in technology between intact and single parent families, evidence of a trend towards equal opportunity for all children. Finally mobility indices are developed which indicate that mobility in the generational transition has improved for all but exogenously single parent family types.