

POVERTY AND INCOME

ES 1.1 MEAN (Average) FAMILY INCOME

Although the percentage of children under age 18 in poverty has increased substantially since 1975, the average or mean income of families with children has shown a modest increase during that same period. Figure ES 1.1 shows trends in mean family income between 1975 and 1993 for all families with children, and separately for married couple and female-headed families. To facilitate comparison over time, income for each year is presented in constant 1993 dollars.

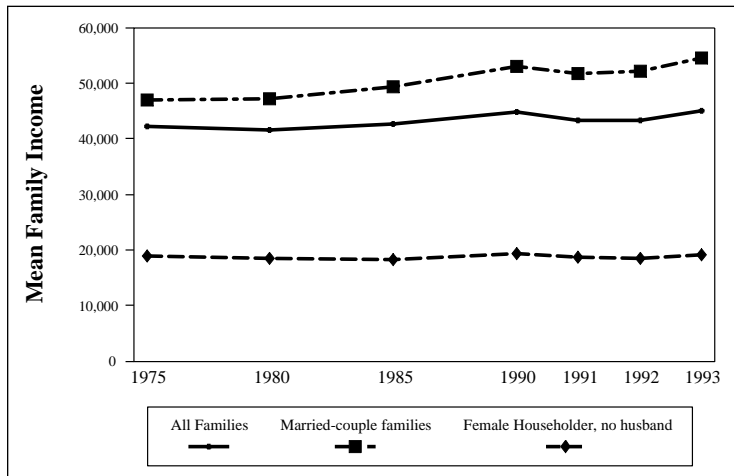
Between 1975 and 1993, the mean income of all families with children rose by 6.5 percent from \$42,255 to \$45,011. This rise was not experienced equally across all family types, however. While female headed families enjoyed only a modest 1.0 percent increase over that same time period from \$19,019 to \$19,214, married-couple families with children showed an increase in average incomes of just over 16 percent, from \$47,056 to \$54,609.

Figure ES 1.1 clearly demonstrates that there has long been a substantial gap in family income between female-headed and married-couple families, and that the gap has been growing since 1975. In 1993, children in married-couple families enjoyed a substantial income advantage over children in female-headed families, with mean family incomes over 2.8 times as large (\$54,609 versus \$19,214). As Table ES 1.1 shows, this disparity is maintained within white, black, and Hispanic families with ratios ranging from 2.3 for Hispanics (\$35,502 versus \$15,602) to nearly 3.0 for black families (\$44,399 versus \$15,013).

Mean family incomes are substantially higher for white families with children than for black and Hispanic families with children. Table ES 1.1 shows that, in 1993, whites enjoyed family incomes that were about 80 percent higher than black families, and 65 percent higher than Hispanic families. Among married couple families the white-black disparity is considerably smaller, with whites enjoying incomes that are only 25 percent higher. The disparity between whites and Hispanics remains just as large for married couple families, however, with white families having average incomes 57 percent higher than their Hispanic counterparts. Black married couple families earn significantly more than Hispanic married-couple families, with mean family incomes of \$44,399 and \$35,502, respectively, in 1993.

Among female-headed families, white families with children have an average income of \$21,404 in 1993, which is 43 percent higher than that for similar black families (\$15,013) and 37 percent higher than that for Hispanic families (\$15,602).

Figure ES 1.1 MEAN FAMILY INCOME OF FAMILIES WITH CHILDREN UNDER AGE 18, 1975-1993
(in constant 1993 dollars)



Source: "Money Income of Households, Families, and Persons in the United States," various years. Current Population Reports, Series P60. Bureau of the Census. Tabulations for 1993 by Child Trends, Inc., from March 1994 Current Population Survey.

Table ES 1.1 MEAN FAMILY INCOME OF FAMILIES WITH CHILDREN UNDER 18 BY FAMILY TYPE, RACE AND HISPANIC ORIGIN OF HOUSHOLDER: SELECTED YEARS 1975-1993 (IN CONSTANT 1993 DOLLARS)

Characteristics	1975	1980	1985 ^a	1990	1991	1992 ^b	1993
One or more related children under 18 years old:							
All families	42,255	41,700	42,771	44,813	43,309	43,373	45,011
White	—	—	—	47,513	46,213	46,460	48,337
Black	—	—	—	28,437	26,584	25,818	26,819
Hispanic	—	—	—	30,461	29,151	29,379	29,234
Married-couple families	47,056	47,225	49,299	53,144	51,683	52,254	54,609
White	—	—	—	53,739	52,541	53,209	55,607
Black	—	—	—	44,602	42,053	42,254	44,399
Hispanic	—	—	—	36,000	34,631	35,413	35,502
Female Householder, no husband present	19,019	18,526	18,209	19,462	18,819	18,506	19,214
White	—	—	—	21,293	20,931	20,424	21,404
Black	—	—	—	16,087	14,888	15,089	15,013
Hispanic	—	—	—	15,831	16,247	15,682	15,602

Notes: ^aRecording of amounts for earnings from longest job increased to \$299,999.
^bImplementation of 1990 census population controls.

Source: "Money Income of Households, Families, and Persons in the United States," various years. Current Population Reports, Series P60. Bureau of the Census. Tabulations for 1993 by Child Trends, Inc., from March 1994 Current Population Survey.

POVERTY AND INCOME

ES 1.2 CHILDREN AND THE DISTRIBUTION OF INCOME: THE INCOME-TO-POVERTY RATIO OF FAMILIES WITH CHILDREN, BY INCOME QUINTILE

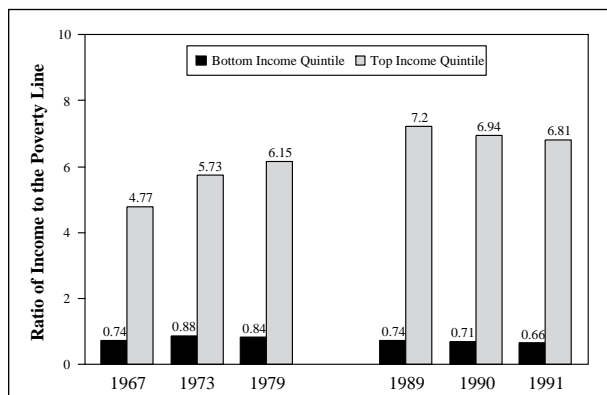
Figure ES 1.2 presents trends in the distribution of income among families with children for selected years from 1967 through 1991, highlighting trends for families in the top and bottom fifth, or quintile, of the income distribution. The measure shown is the AFI, the ratio of annual pretax family income to the poverty line. For example, families with pretax income two and one half times the poverty line would have a value of 2.50 for this measure.

Following a brief surge in family income from 1967 to 1973 for families with children in the bottom income quintile, the AFI income-to-poverty ratio has dropped from a high of 0.88 in 1973 to a low of 0.66 in 1991.⁶ By contrast, incomes for families with children who were in the top income quintile grew substantially and steadily from average AFI's of 4.77 in 1967 to 7.20 in 1989, before reducing slightly to 6.81 in 1991.

Data for all five income quintiles, presented in Table ES 1.2, show income losses for the lowest quintile, a modest gain for the second quintile (from 1.54 to 1.73), and progressively larger gains for the remaining quintiles between 1967 and 1991. The same table also presents data separately for married couples with children and families headed by single mothers with children. For all time periods, families headed by single mothers had considerably less income than those headed by married couples. The basic patterns described above for all families hold by and large for both types of families, with several exceptions. First, married couple families experienced at least some income gains between 1967 and 1991 across all income quintiles, though gains were very modest for the lowest income quintile (from 0.89 to 1.06), and actually decreased from a high of 1.18 in 1979. Second, mother-headed families in the bottom two quintiles experienced little or no income gains between 1967 and 1991, and both have had substantially reduced incomes since 1979.

⁶These represent highs and lows only for the years indicated on Figure ES 1.2. Because these data were not available for every year, it is unknown whether they represent true highs and lows for the time period as a whole.

Figure ES 1.2 AVERAGE PRETAX AFI (Income as a Multiple of Poverty) FOR ALL FAMILIES WITH CHILDREN UNDER AGE 18, BOTTOM AND TOP INCOME QUINTILES



Note: Poverty thresholds are based on the 1989 distribution of family sizes, with no adjustment for the age of the head of household or the number of children. Quintiles are based on the number of persons.

Source: Congressional Budget Office tabulations of data from the March Current Population Survey, 1968, 1974, 1989, 1990, 1991, and 1992

Table ES 1.2 AVERAGE PRETAX AFI (INCOME AS A MULTIPLE OF POVERTY) AMONG FAMILIES WITH CHILDREN, BY FAMILY TYPE AND INCOME QUINTILE, WEIGHTED BY PERSONS, 1967, 1973, 1979, 1989, 1990, AND 1991

Family type and Quintile	1967	1973	1979	1989	1990	1991
All families with children						
Lowest Quintile	.74	.88	.84	.74	.71	.66
Second Quintile	1.54	1.88	1.95	1.87	1.80	1.73
Middle Quintile	2.13	2.65	2.84	2.93	2.80	2.77
Fourth Quintile	2.84	3.54	3.85	4.14	4.00	3.98
Highest Quintile	4.77	5.73	6.15	7.20	6.94	6.81
Total	2.40	2.94	3.13	3.38	3.25	3.19
Married couples with children						
Lowest Quintile	.89	1.16	1.18	1.14	1.11	1.06
Second Quintile	1.66	2.12	2.29	2.34	2.26	2.24
Middle Quintile	2.23	2.84	3.12	3.34	3.22	3.23
Fourth Quintile	2.93	3.71	4.11	4.52	4.42	4.41
Highest Quintile	4.88	5.94	6.41	7.67	7.43	7.32
Total	2.52	3.15	3.42	3.80	3.69	3.65
Single mothers with children						
Lowest Quintile	.21	.33	.32	.25	.25	.24
Second Quintile	.59	.71	.75	.64	.61	.59
Middle Quintile	.91	1.03	1.22	1.14	1.09	1.03
Fourth Quintile	1.45	1.67	2.01	2.03	1.95	1.90
Highest Quintile	2.78	3.29	3.65	4.14	3.90	3.87
Total	1.19	1.41	1.59	1.64	1.56	1.52

Note: Poverty thresholds are based on the 1989 distribution of family sizes, with no adjustment for the age of the head of household or the number of children. Quintiles are based on the number of persons.

Source: Congressional Budget Office tabulations of data from the March Current Population Survey, 1968, 1974, 1980, 1990, 1991, and 1992.

POVERTY AND INCOME

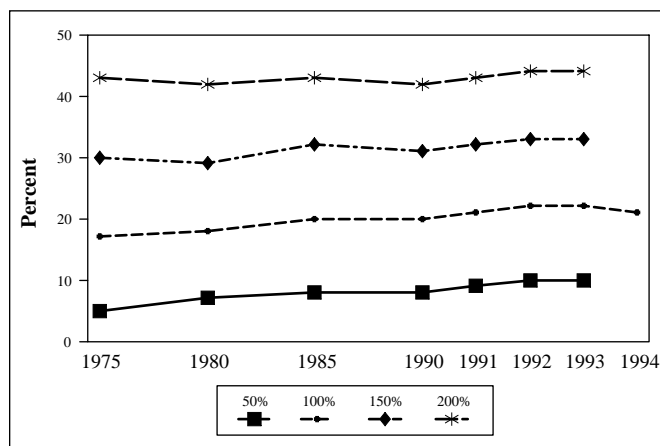
ES 1.3 CHILDREN IN POVERTY

Being raised in poverty can have far reaching negative consequences for children. Being brought up at or near the poverty line (\$15,141 for a family of four in 1994) means not only that a child has a much lower level of consumption than other children, but also that he or she is more likely than a nonpoor child to experience difficulties in school, to become a teen parent and, as an adult, to earn less and experience greater unemployment.

As shown in Figure ES 1.3.a, there has been a striking increase in the percentage of children raised in extreme poverty, that is, with family incomes less than one half the official poverty line, even though the percentage of children at or below 200 percent of the poverty line has hardly changed at all. As shown in the bottom line of the chart, the proportion of children at or below 50 percent of the poverty line⁷ has doubled between 1975 (when the percentage was only 5 percent) and 1993 (when the percentage had increased to 10 percent). Less dramatic but still striking, the proportion of children at or below the poverty line increased by 47 percent between 1975 (when the percentage was only 15 percent) and 1993 (when the percentage had increased to 22 percent) before dropping to 21 percent in 1994 (the first decrease since 1988-1989). The proportion of children at or below 150 percent of the poverty line increased by only 13 percent (from 30 percent to 33 percent) between 1975 and 1993, and the proportion at or below 200 percent of the poverty line increased only slightly (from 43 percent to 44 percent).

⁷\$7,570 for a family of four in 1994.

Figure ES1.3.A PERCENT OF CHILDREN UNDER AGE 18 IN FAMILIES LIVING BELOW SELECTED POVERTY LEVELS: 1975 - 1994



Source: Rates for 1975, 1980, and 1985 were calculated by Child Trends, Inc., based on data from the U.S. Bureau of the Census, Series P-60, No. 106, Tables 7; No. 133, Table 7; No. 158, Table 4. Rates for 1990 through 1993 are from the U.S. Bureau of the Census, Series P-60, No. 175, No. 6; No. 188, and revised data for 1992 provided by the U.S. Bureau of the Census, Poverty Branch.

TABLE ES 1.3.A (Includes corrections to printed version from erratum page.)

Table ES 1.3.a
 Proportion of Children Under Age 18 Living Below Selected Poverty Thresholds by Age and Race/Hispanic Origin, 1975 to 1994

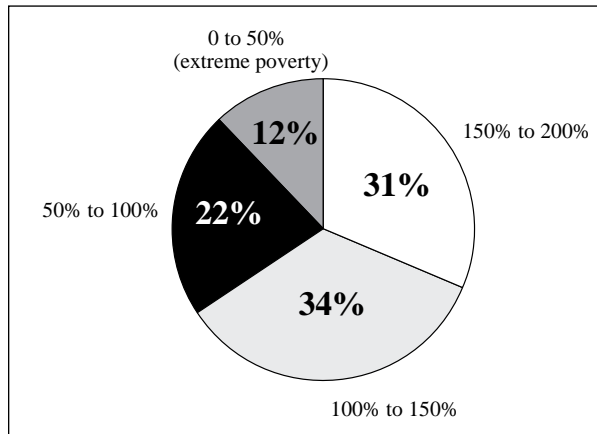
	1975	1980	1985	1990	1991	1992	1993	1994
Under 50% of Poverty								
Related Children Under 18	5	7	8	8	9	10	10	--
White	4	5	6	6	6	6	6	--
Black	14	17	22	22	25	27	26	--
Hispanic	--	--	--	14	14	15	14	--
Under 100% of Poverty								
Related Children Under 18	17	18	20	20	21	22	22	21
White	13	13	16	15	16	17	17	--
Black	41	42	43	44	46	46	46	--
Hispanic	33	33	40	38	40	39	40	--
Under 150% of Poverty								
Related Children Under 18	30	29	32	31	32	33	33	--
White	24	24	26	25	26	27	27	--
Black	60	57	59	57	60	60	61	--
Hispanic	--	--	--	55	58	58	60	--
Under 200% of Poverty								
Related Children Under 18	43	42	43	42	43	44	44	--
White	38	37	38	37	38	38	38	--
Black	73	70	71	68	70	71	72	--
Hispanic	--	--	--	69	72	70	72	--

Note: The poverty level is based on money income and does not include noncash benefits, such as foods stamps. Poverty thresholds reflect family size and composition and are adjusted each year using the annual average Consumer Price Index (CPI) level. The average poverty threshold for a family of four was \$13,924 in 1991 and \$10,989 in 1985. The levels shown here are derived from the ratio of the family's income to the family's poverty threshold. For example, a child living under 125 percent of poverty is from a family with income above their poverty threshold but below 125 percent of their poverty threshold. If the family's poverty threshold was \$10,000, under 125 percent of poverty would mean their income was between \$10,000 and \$12,500. Related children include biological children, stepchildren, and adopted children of the householder and all other children in the household related to the householder (or reference person) by blood, marriage, or adoption.

Source: Rates for 1975, 1980, and 1985 were calculated by Child Trends, Inc. based on data from the U.S. Bureau of the Census, Series P-60, No. 106, Table 7; No. 133, Table 7; No. 158, Table 4. Rates for 1990 through 1993 are from the U.S. Bureau of the Census, Series P-60, No. 175, No. 185, No. 188, and revised data for 1992 provided by the U.S. Bureau of the Census, Poverty Branch. Data for 1994 from unpublished tables supplied by the U.S. Bureau of the Census.

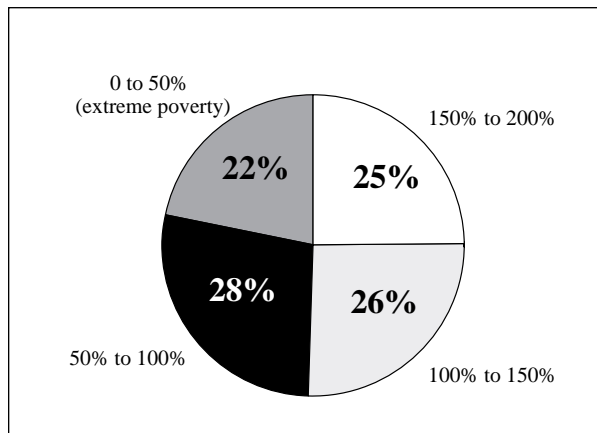
POVERTY AND INCOME

Figure ES 1.3.B CHILDREN IN EXTREME POVERTY AS PERCENTAGE OF CHILDREN UNDER AGE 18 IN FAMILIES BELOW OR NEAR THE POVERTY LINE, 1975



Source: U.S. Bureau of the Census, Series P-60, No. 188.

FIGURE ES 1.3.C CHILDREN IN EXTREME POVERTY AS PERCENTAGE OF CHILDREN UNDER AGE 18 IN FAMILIES BELOW OR NEAR THE POVERTY LINE, 1993



Source: U.S. Bureau of the Census, Series P-60, No. 188.

Table ES 1.3.B PERCENT OF CHILDREN UNDER AGE 18 IN POVERTY IN 1979 AND 1989 BY RACE AND HISPANIC ORIGIN

	1979	1989
All Children under 18	16.0	18.3
White	11.0	12.5
Black	37.8	39.8
Hispanic	29.1	32.2
Asian	14.9	17.1
Native American	32.5	38.8

Note: The poverty level is based on money income and does not include noncash benefits, such as foods stamps. Poverty thresholds reflect family size and composition and are adjusted each year using the annual average Consumer Price Index (CPI) level.

Source: U.S. Bureau of the Census, *1980 Census of the Population*, "Detailed Population Characteristics", PC-80-1-D1-A, United States Summary, Table 304. Population Reference Bureau analysis of the Bureau of the Census, *Census of the Population and Housing 1990*, Summary Tape File 3, Tables P-117, P-119, and P-120.

POVERTY AND INCOME

ES 1.3 CHILDREN IN POVERTY (continued)

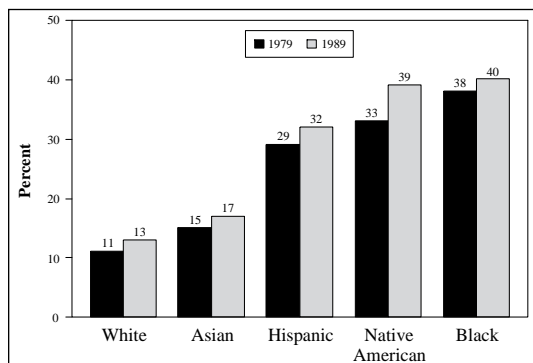
Another way to understand what has happened is to focus on the population of all children living in poor or near-poor families with incomes no more than 200 percent of the poverty line. As shown in Figure ES 1.3.b, in 1975 children raised in extreme poverty (below 50 percent of the poverty line) made up only 12 percent of this poor or near-poor population, while nearly two-thirds of this population fell into the near-poor category. However, as shown in Figure ES 1.3.c, by 1993, children raised in extreme poverty made up 22 percent of the poor or near-poor children. Conversely, only half of this population consisted of children between 100 percent and 200 percent of the poverty line.

There are no differences by race or Hispanic origin in the *trends* described above, as shown in Table ES 1.3.a, even though the incidence of poverty is consistently highest for blacks and lowest for whites. The increase in the percentage of children raised in extreme poverty has occurred for all three groups, while the percentage of children at or below 200 percent of the poverty line has hardly changed at all.

Taking a more detailed look at poverty by race and Hispanic origin, as shown in Figure ES 1.3.d, the incidence of poverty is lowest by far for white children and highest for black and Native American children.⁸ While the incidence of poverty grew noticeably between 1979 and 1989 for all groups, the differences between the groups remained stable. For white children the percentage in poverty was 13 percent in 1989. The incidence of poverty for Asian children was nearly a third higher than for white children—17 percent in 1989. In 1989, 32 percent of Hispanic children were living in poverty—a rate 2.6 times as high as for white children. Poverty was still more pervasive among black and Native American children. In 1989, the poverty rate for black children was 40 percent, while the poverty rate for Native American children was 39 percent. Thus, both black children and Native American children were more than three times as likely as white children to be living in poverty in 1989.

⁸These poverty estimates are based on Decennial Census data rather than the Current Population Survey data presented in other tables. Estimates from the two sources may not match.

Figure ES 1.3.D PERCENT OF CHILDREN UNDER AGE 18 IN POOR FAMILIES, BY RACE AND HISPANIC ORIGIN, 1979 AND 1989



Source: Rates for 1975, 1980, and 1985 were calculated by Child Trends, Inc., based on data from the U.S. Bureau of the Census, Series P-60, No. 106, Table 7; No. 133, Table 7; No. 158, Table 4. Rates for 1990 through 1993 are from the U.S. Bureau of the Census, Series P-60, No. 175, Table 6; No. 185, Table 6; No. 188, Table 8; and revised data for the 1992 provided by the U.S. Bureau of the Census, Poverty Branch

Table ES 1.3.C PROPORTION OF CHILDREN UNDER AGE 18 LIVING BELOW THE POVERTY LEVEL BY FAMILY TYPE, AGE, RACE AND HISPANIC ORIGIN, 1960 TO 1993

	1960	1965	1970	1975	1980	1985	1990	1991	1992	1993
All Types of Families										
Related Children under 18	27	21	15	17	18	20	20	21	22	22
White	20	14	11	13	13	16	15	16	17	17
Black	—	—	42	41	42	43	44	46	46	46
Hispanic	—	—	—	—	33	40	38	40	39	40
Related Children under 6	—	—	17	18	20	23	23	24	26	26
White	—	—	12	14	16	18	18	19	20	20
Black	—	—	42	41	46	47	51	51	53	52
Hispanic	—	—	—	—	34	41	40	44	43	43
Related Children 6 to 17	—	—	14	16	17	19	18	20	19	20
White	—	—	10	12	12	14	14	15	15	15
Black	—	—	41	42	40	41	41	43	43	43
Hispanic	—	—	—	—	32	39	36	37	37	38
Married Couple Families										
Related Children under 18	—	—	—	—	—	—	10	11	11	12
White	—	—	—	—	—	—	9	10	10	11
Black	—	—	—	—	—	—	18	15	18	18
Hispanic	—	—	—	—	—	—	27	29	29	30
Related Children under 6	—	—	—	—	—	—	12	12	13	13
White	—	—	—	—	—	—	11	11	12	13
Black	—	—	—	—	—	—	20	17	22	20
Hispanic	—	—	—	—	—	—	28	33	32	33
Related Children 6 to 17	—	—	—	—	—	—	10	10	10	11
White	—	—	—	—	—	—	8	9	9	10
Black	—	—	—	—	—	—	17	14	16	17
Hispanic	—	—	—	—	—	—	25	26	26	28
Female Headed Families										
Related Children under 18	68	61	53	53	51	54	53	56	55	54
White	60	53	43	44	42	45	46	47	46	46
Black	—	—	68	66	65	67	65	68	67	66
Hispanic	—	—	—	—	65	72	68	69	66	66
Related Children under 6	—	—	64	62	65	66	66	66	66	64
White	—	—	59	59	60	59	60	60	61	58
Black	—	—	71	67	72	75	73	74	73	72
Hispanic	—	—	—	—	70	78	77	74	72	72
Related Children 6 to 17	—	—	49	49	46	48	47	50	49	49
White	—	—	38	40	36	40	39	41	39	40
Black	—	—	66	66	62	63	60	65	64	62
Hispanic	—	—	—	—	62	70	64	65	62	63

Note: The poverty level is based on money income and does not include noncash benefits, such as foods stamps. Poverty thresholds reflect family size and composition and are adjusted each year using the annual average Consumer Price Index (CPI) level. The average poverty threshold for a family of four was \$13,924 in 1991 and \$10,989 in 1985. Related children include biological children, stepchildren, and adopted children of the householder and all other children in the household related to the householder (or reference person) by blood, marriage, or adoption.

Source: U.S. Bureau of the Census, Series P-60 No. 81, Table 4 No. 86, Table 1; P-60, No. 106, Table 11; No. 133, Table 11; No. 158, Table 7; No. 175, Table 6; No. 181, Table 5; No. 188, Table 8, and revised data for 1992 provided by the U.S. Bureau of the Census, Poverty Branch.

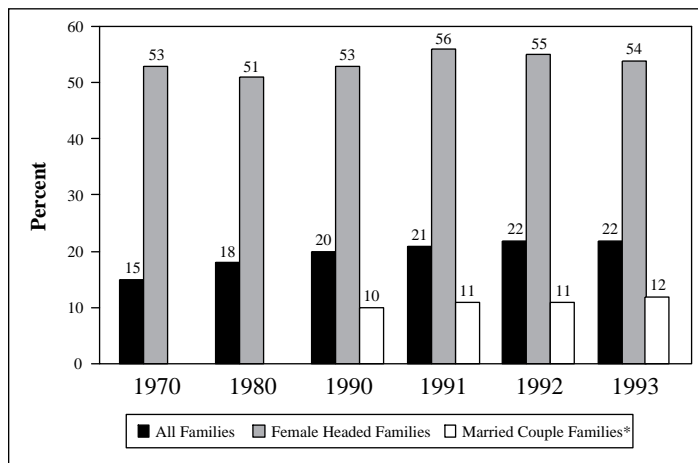
POVERTY AND INCOME

ES 1.3 CHILDREN IN POVERTY (continued)

The chances of a child experiencing poverty are strongly influenced by the type of family he or she lives in. As shown in Figure ES 1.3.e, throughout the period from 1970 through 1993, just over half of the children living in female-headed families were poor. In contrast, during the 1990s,⁹ only about 10 percent of children living in married-couple families were poor. However, from 1970 to 1993 the number of female-headed families with children nearly tripled from 3.4 million families to 9.3 million families, while the number of two-parent families with children actually declined from 25.8 million to 25.2 million. This shift in family structure is reflected in the increase in overall child poverty rates from 15 percent to 22 percent during that period of time.

⁹The only period for which these statistics are published.

Figure ES 1.3.E PERCENT OF CHILDREN UNDER AGE 18 IN POOR FAMILIES BY FAMILY TYPE



Note: *Data not available for children in married couple families before 1990.

Source: U.S. Bureau of Census, Series P-60 No. 81, Table 4 No. 86, Table 1; P-60, No. 106, Table 11; No. 133, Table 11; No. 158, Table 7; No. 175, Table 6; No. 181, Table 5; No. 188, Table 8, and revised data for 1992 provided by the U.S. Bureau of the Census, Poverty Branch.

Table ES 1.3.D PROPORTION OF CHILDREN UNDER AGE 18 LIVING BELOW 50 PERCENT OF THE POVERTY LEVEL BY FAMILY TYPE, AGE, RACE AND HISPANIC ORIGIN, 1975 TO 1993

	1975	1980	1985	1990	1991	1992	1993
All Types of Families							
Related Children under 18	5	7	8	8	9	10	10
White	4	5	6	6	6	6	6
Black	14	17	22	22	25	27	26
Hispanic	—	—	—	14	14	15	14
Related Children under 6	6	8	10	10	11	12	12
White	4	6	7	7	7	8	8
Black	14	22	26	27	31	32	31
Hispanic	—	—	—	12	14	13	12
Related Children 6 to 17	5	6	7	7	8	9	8
White	4	4	5	5	5	6	5
Black	15	15	19	20	22	24	23
Hispanic	—	—	—	12	14	13	12
Married Couple Families							
Related Children under 18	—	—	—	3	3	3	3
White	—	—	—	3	3	3	3
Black	—	—	—	4	6	7	8
Hispanic	—	—	—	7	8	9	7
Related Children under 6	—	—	—	3	4	4	4
White	—	—	—	3	3	4	4
Black	—	—	—	4	7	9	8
Hispanic	—	—	—	8	8	10	8
Related Children 6 to 17	—	—	—	2	3	3	3
White	—	—	—	2	3	3	3
Black	—	—	—	4	5	7	6
Hispanic	—	—	—	6	8	8	7
Female Headed Families							
Related Children under 18	19	22	26	28	29	30	29
White	15	16	19	22	22	23	21
Black	26	31	38	37	40	41	40
Hispanic	—	—	—	32	31	31	30
Related Children under 6	24	32	35	37	37	39	36
White	24	25	27	32	31	33	30
Black	25	40	47	44	46	47	45
Hispanic	—	—	—	39	34	36	36
Related Children 6 to 17	18	18	22	23	25	26	25
White	13	13	16	17	18	18	17
Black	26	27	33	33	37	38	37
Hispanic	—	—	—	28	30	27	26

Note: The poverty level is based on money income and does not include noncash benefits, such as foods stamps. Poverty thresholds reflect family size and composition and are adjusted each year using the annual average Consumer Price Index (CPI) level. The average poverty threshold for a family of four was \$13,924 in 1991 and \$10,989 in 1985. The extreme poverty level shown here is derived from the ratio of the family's income to the family's poverty threshold. If the family's poverty threshold was \$10,000, under 50 percent of poverty would mean their income was under \$5,000. Related children include biological children, stepchildren, and adopted children of the householder and all other children in the household related to the householder (or reference person) by blood, marriage, or adoption.

Source: Rates for 1975, 1980, and 1985 were calculated by Child Trends, Inc. based on data from the U.S. Bureau of the Census, Series P-60, No. 106, Table 7; No. 133, Table 7; No. 158, Table 4. Rates for 1990 through 1993 are from the U.S. Bureau of the Census, Series P-60, No. 175, Table 6; No. 185, Table 6; No. 188, Table 8; and revised data for 1992 provided by the U.S. Bureau of the Census, Poverty Branch.

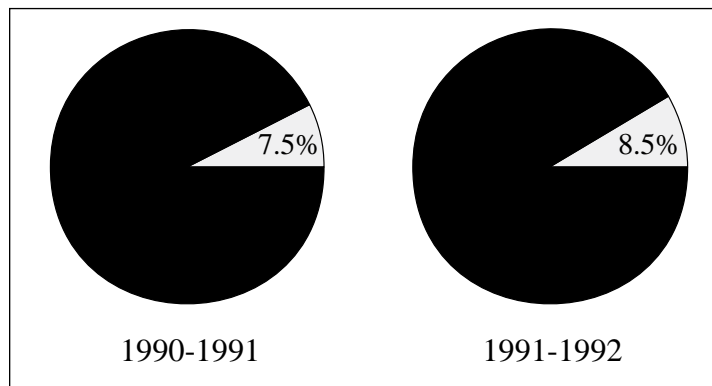
POVERTY AND INCOME

ES 1.4 SUSTAINED CHILD POVERTY

Very often poverty is a short term experience lasting a matter of months to a year. Though poverty for any length of time can be problematic, sustained or long term poverty is the more substantial threat to the long term well-being of children.

Figure ES 1.4 shows the proportion of all children under age 18 who were continuously poor for 24 months in 1990 and 1991, and in 1991 and 1992. While the annual poverty rates for children during these years were around 20 percent, rates of continuous two-year poverty were 7.5 percent in 1990-1991, and increased somewhat to 8.5 percent for 1991-1992. Put another way, one in every twelve American children in the early 1990s were continuously poor over a two year period.

Figure ES 1.4 SUSTAINED CHILD POVERTY: PERCENT OF CHILDREN UNDER AGE 18 WHO WERE POOR IN EVERY MONTH OVER A TWO-YEAR PERIOD



Source: Shea, M. 1995. Dynamics of Economic Well-Being: 1990 to 1992 Current Population Reports Series P70-42. Washington, DC: U.S. Bureau of the Census. Shea, M. 1995. Dynamics of Economic Well-Being: 1991 to 1993. Current Population Reports, Series P70-45. Washington, DC: Bureau of the Census.

Table ES 1.4 SUSTAINED CHILD POVERTY: PERCENT OF CHILDREN UNDER AGE 18 WHO WERE POOR IN EVERY MONTH OVER A TWO-YEAR PERIOD

	1990-1991	1991-1992
All children under 18	7.5	8.5

Source: Shea, M. 1995. Dynamics of Economic Well-being: 1990-1992. Current Population Reports Series P70-42. Washington, DC: U.S. Bureau of the Census.

POVERTY AND INCOME

ES 1.5 LIFETIME CHILDHOOD POVERTY

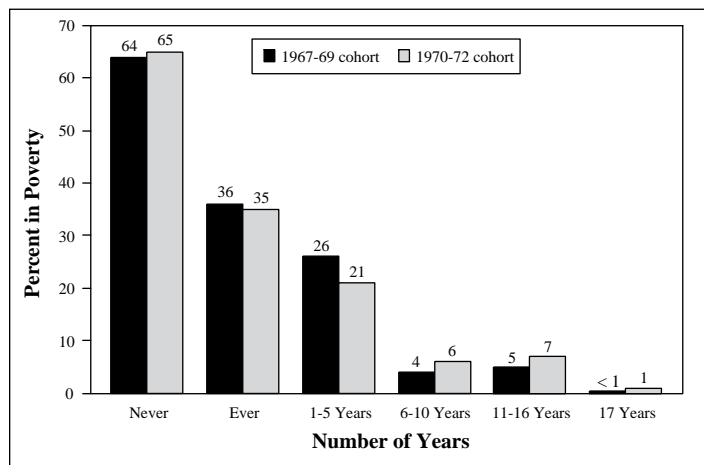
The majority of children never experience poverty while growing up, and among those who do, most are in poverty for only a small portion of their childhood. Many children, however, and particularly many black children, spend a large proportion of their formative years living in poverty, with correspondingly negative consequences for their development and well-being.¹⁰

As shown in Figure ES 1.5.a, although 64 percent of all children who turned age 18 between 1985 and 1987 were never poor, 10 percent were poor for six or more years by age 17. Five percent were poor for eleven or more years, and 1 percent for all 17 years. Children born three years later show a similar pattern, though they were somewhat more likely to have been poor for a greater number of years, with 14 percent poor for six or more years, and 8 percent poor for eleven or more years.

As shown in Figure ES 1.5.b, there are large racial differences in the risk of experiencing long-term poverty in childhood. Of the nonblack children who turned age 18 between 1988 and 1990, 73 percent never experienced poverty while growing up, and about 8 percent were poor for six or more years. By contrast, nearly one half (47 percent) of all black children in that cohort were poor for six or more years, 28 percent for eleven or more years, and 6 percent for all seventeen years of their childhoods.

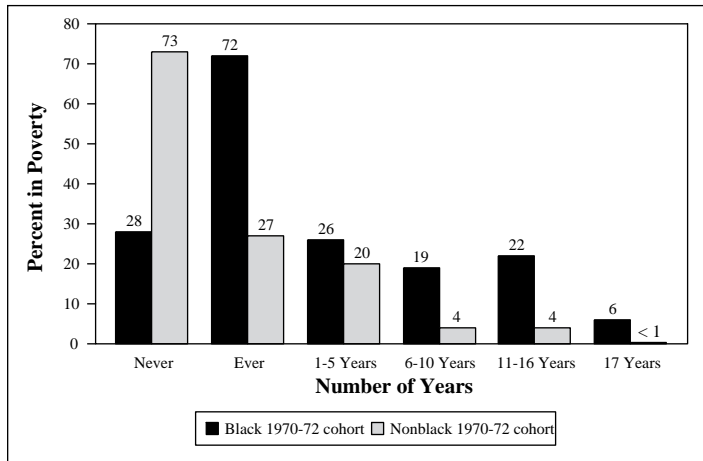
¹⁰Duncan, G. 1995. "Longitudinal Indicators of Children's Poverty and Dependence". Institute for Research on Poverty Special Report Series, SR#60b.

Figure ES 1.5.A PERCENT OF CHILDREN IN POVERTY BY NUMBER OF YEARS IN POVERTY AND COHORT



Source: Calculations by Greg J. Duncan, based on data from the Panel Study of Income Dynamics (PSID), Survey Research Center, University of Michigan.

Figure E S1.5.B PERCENT OF CHILDREN IN POVERTY BY NUMBER OF YEARS IN POVERTY BY RACE, FOR COHORT AGE 18 IN 1988 - 90



Source: Calculations by Greg J. Duncan, based on data from the Panel Study of Income Dynamics (PSID), Survey Research Center, University of Michigan.

Table ES 1.5 PERCENTAGE OF CHILDREN IN POVERTY BY NUMBER OF YEARS IN POVERTY DURING CHILDHOOD, BIRTH YEAR, AND RACE

	Number of Years in Poverty					
	Never	Ever	1-5 yrs	6-10 yrs	11-16 yrs	17 yrs
Turned Age 18 in 1985-1987 (1967-69 cohort)						
All children	64	36	26	4	5	1
Black	24	76	38	14	19	4
Nonblack	71	30	24	2	3	*
Turned Age 18 in 1988-1990 (1970-72 cohort)						
All Children	65	35	21	6	7	1
Black	28	72	26	19	22	6
Nonblack	73	27	20	4	4	*

Note: The percentages under “number of years in poverty” sum to the proportion “ever” in poverty for each subgroup.
* = less than 1 percent.

Source: Calculations by Greg J. Duncan, based on data from the Panel Study of Income Dynamics (PSID), Survey Research Center, University of Michigan.

POVERTY AND INCOME

ES 1.6 CHILD SUPPORT NONPAYMENT

The issue of child support has gained in importance in recent years. As rates of divorce and nonmarital birth have risen, an increasing proportion of children and their custodial parents must depend on this source of income for financial support, and suffer correspondingly when it is not forthcoming. In addition, when noncustodial parents do not support their children financially, it is often left to the government to step in and provide support in the form of AFDC, Food Stamps, and other forms of assistance.

In many cases, and particularly where nonmarital births are concerned, families who should be receiving child support from the noncustodial parent lack a court order that established how much is owed. Among those who do have court orders, over 49 percent do not receive all of the money they are owed in a given year.¹¹

Table ES 1.6 shows the proportion of families who had court orders for child support but received no support at all for selected years between 1978 and 1991. Estimates are presented for all eligible families, and separately for population subgroups defined by marital status (married, divorced, separated, and never married) and race/ethnicity (white, black, and Hispanic). During that time period, the proportion of all eligible families who received no support whatsoever ranged between 21 and 28 percent. It appears that rates of nonpayment decreased somewhat from 1978 to 1985 from 28 to 21 percent, only to rise to about 25 percent by the end of the decade. This general historical pattern is consistent across all marital status and race/ethnic population subgroups represented in the table.

Women who are separated or never married are substantially less likely to have court orders for child support than those who are divorced, or who have remarried. Once a court order is established, however, the rates of nonpayment appear to be fairly similar across all marital status groups. In 1991, for example, rates of nonpayment ranged from about 24 percent for divorced women to 28 percent for never married women.¹² In most years, eligible white families experienced lower rates of nonpayment than either black or Hispanic families. For example, in 1991, the most recent year for which estimates are available, the percent of eligible families receiving no payment was 23 percent for whites, 31 percent for blacks, and 35 percent for Hispanics.

Some custodial parents receive their child support payments directly from the non-custodial parent or that parent's place of employment. Other parents use the Child Support Enforcement program, authorized under title IV-D of the Social Security Act, to establish and enforce child support orders. Families receiving AFDC and Medicaid benefits are required to cooperate with the Child Support Enforcement agency. Other families may request these services. Since fiscal year 1992 collections made by child support enforcement agencies have increased by nearly 40 percent, from \$8 billion in fiscal year 1992 to \$11 billion in fiscal year 1995. For the same period, paternity establishments increased over 40 percent and child support orders increased 16 percent.

¹¹ *Child Support for Custodial Mothers and Fathers*. Current Population Reports Series P60, No. 187.

¹² In some years rates of nonpayment appear to be substantially smaller for women who were separated or never married than for those who are divorced or remarried, but estimates for the former groups are based on small samples sizes which are subject to greater error. Disparities in sample size may account for the apparent cross-group differences in those years. (See, for example, years 1983, 1985, and 1987)

Table ES 1.6 CHILD SUPPORT NONPAYMENT: PERCENT OF ELIGIBLE WOMEN WHO ARE NOT RECEIVING CHILD SUPPORT.

	1978	1981	1983	1985	1987	1989	1991 ^a
Total	28	23	24	21	24	25	25
Marital Status							
Married	32	25	28	24	27	28	25
Divorced	27	23	24	21	22	23	24
Separated	27	16	13	12	26	20	26
Never Married	19	27	24	20	17	27	28
Race/Ethnicity							
White	27	23	23	21	23	24	23
Black	37	23	31	22	27	30	31
Hispanic	35	29	38	26	25	30	35

Note: ^aEstimates for 1991 were produced using somewhat different assumptions than in previous years, and should not be contrasted with earlier estimates.

Eligible Families are those with court orders for child support.

Source: 1978-1987 data from Child Support and Alimony, Series P23, Nos. 112, 140, 141, 154, and 167. Data for 1989 from Current Population Reports Series P60, No. 173. Data for 1991 from Current Population Reports Series P60, No. 187.