



# Child Poverty in the U.S.

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## What New Census Data Tell Us About Our Youngest Children

### One in Five U.S. Children is Poor

**Almost 22 percent of children are poor.** In 2012, over 16 million children in the U.S. were living in poverty according to the official measure, defined as living in families with income under \$19,090 for a family of three.

This is almost identical to figures for 2011, but an increase of nearly three million and 4 percent over 2007 (the last year before the Great Recession).

#### **Children are more likely than adults to be poor.**

The poverty rate among adults aged 18 to 64 was 14 percent in 2012. While children make up roughly 24 percent of our total population, they comprise one third of the nation's poor.

**Racial and ethnic minority children are disproportionately poor.** In 2012, the poverty rate for Black children (37.5 percent) and Hispanic children (33 percent) is higher than that of non-Hispanic White children (12 percent). The largest group of poor children is Hispanic (5.8 million), followed by non-Hispanic white children (4.5 million) and Black children (4.1 million).

**Child poverty is linked to negative child and adult outcomes.** Research shows poverty is a strong predictor of children's success in school and adult employment and earnings. Children growing up in poverty experience poorer health, higher incidence of developmental delays and learning disabilities, and hunger compared to their peers. And the longer a child lives in poverty, the worse their adult outcomes.<sup>i</sup>

### Young Children More Likely to Be Poor

**Twenty-four percent of children under age six are poor.** In 2012, almost 6 million young children lived in poor families. This is roughly the same as in 2011, but an increase of about 600,000 over 2007.

**Children under age three have the highest poverty rates.** Among all children, the youngest are most likely to be poor. The prevalence of poverty is highest during the earliest, most formative years of children's lives with potentially lasting consequences for education, health, and other key outcomes.<sup>ii</sup>

### Four Out of Every 10 Children Live in Low-income Households

**Forty-three percent of children under 18 and nearly half of children under age 6 live in low-income families (households under 200 percent of the poverty threshold).** Even before the foreclosure crisis, low-income families under 200 percent of the poverty level reported frequent challenges keeping food on the table, paying mortgage and utility bills, and meeting other expenses such as health care and child care. It is estimated that families require a household income of twice the poverty threshold to adequately cover modern living expenses and make ends meet.<sup>iii</sup>

## Many Children in Poverty Have Working Parents

**Over two-thirds of poor children live in families with at least one worker.** Over 30 percent of poor children—and more than half of low-income children—live in families with at least one worker employed full-time year round. Among Hispanic children, the largest single group of poor children, only about one quarter live in families with no worker and more than one-third have at least one full-time, full-year worker. Many poor and low-income children have parents who work hard but for very little pay.

Compared to the years before the Great Recession, a slightly larger share of poor children live in families with no full-time, full-year worker (70 percent in 2012 compared to 65.6 percent in 2007). But when families do manage to hold on to work full-time and full-year, children are still more likely than before the recession to be poor (8.5 percent in 2012 compared to 7.6 percent in 2007) or low-income (30 percent in 2012 compared to 28 percent in 2007).

Because women earn less than men, children in single-mother households are at greater risk of poverty, even when their mothers work. And even when single mothers work full-time year round, nearly 20 percent of their children are poor. Poor families paying for child care spend an estimated 30 percent of their income on child care, compared to 8 percent for families above poverty.<sup>iv</sup>

**Many poor children live in two-parent families, especially growing numbers of Hispanic children.** In 2012, 11 percent of all children in two-parent homes and 24 percent of Hispanic children in two-parent homes were poor. That's up slightly from last year.

**Parents' low-wage work compounds developmental risk for children.** The nature of employment among the working poor makes it difficult to raise children. Fully 40 percent of low-income parents have no access to any paid time off (no sick day or medical leave, no parental leave, no vacation<sup>v</sup>), making it difficult to care for newborn or sick children. Unstable and nonstandard work schedules, increasingly a characteristic of low-wage work, make securing stable child care difficult and make it difficult for parents to balance home and work obligations. Stress associated with low-wage work may add to parental stress that has a negative impact on children's development.<sup>vi</sup>

## Public Policies Can Address Child Poverty

Solutions to child poverty exist and can be implemented with public will. Among the solutions:

- Improve income and work supports, such as the Earned Income Tax Credit, Child Tax Credit, Unemployment Insurance, and Supplemental Nutrition Assistance Program (SNAP, or food stamps), so working parents are not poor. In 2012, SNAP lifted four million Americans out of poverty. But continued investment is needed.
- Increase access to quality jobs, including raising the minimum wage, allowing workers to earn paid sick days, providing paid family and medical leave, and giving workers advance notice of scheduling. A recent survey found that one in five low-wage working mothers has lost a job in the past four years because she was sick or needed to care for a family member. And another recent study found that among mothers working in the restaurant industry, two out of five had a last-minute shift change which adversely affected child care arrangements.
- Increase access to affordable, quality child care and early education to support both healthy development for children and their parents' ability to work.

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- <sup>i</sup> Greg J. Duncan and Katherine MaGnuson, *The Long Reach of Early Childhood Poverty*, 2011, [http://www.stanford.edu/group/scspi/ media/pdf/pathways/winter\\_2011/PathwaysWinter11\\_Duncan.pdf](http://www.stanford.edu/group/scspi/ media/pdf/pathways/winter_2011/PathwaysWinter11_Duncan.pdf) and Caroline Ratcliffe and Signe-Mary McKernan, *Child Poverty and Its Lasting Consequence*, Urban Institute, 2012, <http://www.urban.org/UploadedPDF/412659-Child-Poverty-and-Its-Lasting-Consequence-Paper.pdf>.
- <sup>ii</sup> Olivia Golden, Marla McDaniel, Pamela Loprest, and Alexandra Stanczyk, *Disconnected Mothers and the Wellbeing of Children: A Research Report*, Urban Institute, 2013, <http://www.urban.org/publications/412815.html>
- <sup>iii</sup> Gregory Acs and Pamela Loprest, *Who Are Low-Income Working Families?*, Urban Institute, 2005, <http://www.urban.org/publications/311242.html> and Gregory Acs and Pamela Loprest, *Making Work Pay Enough: A Decent Standard of Living for Low-Income Working Families*, Urban Institute, 2008, [http://www.urban.org/UploadedPDF/411710\\_work\\_pay.pdf](http://www.urban.org/UploadedPDF/411710_work_pay.pdf)
- <sup>iv</sup> William G. Gale, *Who's Minding the Kids*, Urban Institute, 2004, <http://www.urban.org/publications/1000703.html>
- <sup>v</sup> Katherin Ross Phillips, *Access to Leave Among Working Parents*, Urban Institute, 2004, <http://www.urban.org/publications/310977.html>.
- <sup>vi</sup> Pamela Joshi and Karen Bogen, *Nonstandard Schedules and Young Children's Behavioral Outcomes Among Working Low-Income Families*, *Journal of Marriage and Family* 69 (February 2007).