

POLICY BRIEF

Stresses on Idaho Families: Economic Insecurities



Idaho KIDS COUNT



HIGHLIGHTS

Research Shows:

Idaho has dropped from 20th to 23rd in the ranking of states for percent of children living in families where both parents lack full-time year-round employment

Almost one in four children in Idaho live in families in which both parents lack full-time year-round work

There is a significant correlation between poverty and early reading (kindergarten through second grade) scores for children in Idaho

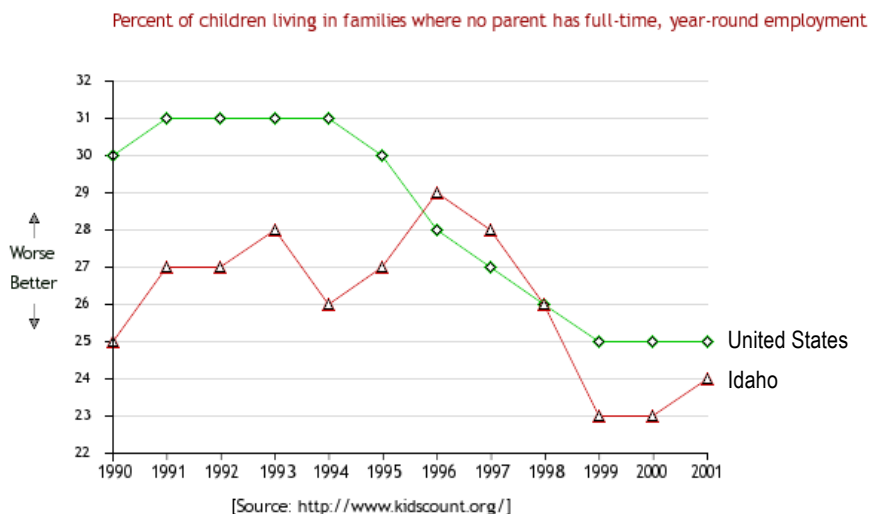
Idaho's single parent rate is climbing closer to the national average

More than one third of low-income parents with part-time jobs in Idaho report they cannot find full-time work

IDAHO TRENDS

This report focuses on one of KIDS COUNT's major indicators of child well-being – the percent of children living in families where no parent has full-time, year-round employment. Data recently released by KIDS COUNT revealed that the figure for Idaho increased from 23% in 2000 to 24% in 2001, moving Idaho from 20th to 23rd in the ranking of states (from best to worst) for this indicator. Although this change is not large, it does indicate that Idaho's families are **not** enjoying the benefits of economic recovery; there is no indication of increasing percentages of children living in families with economic security.

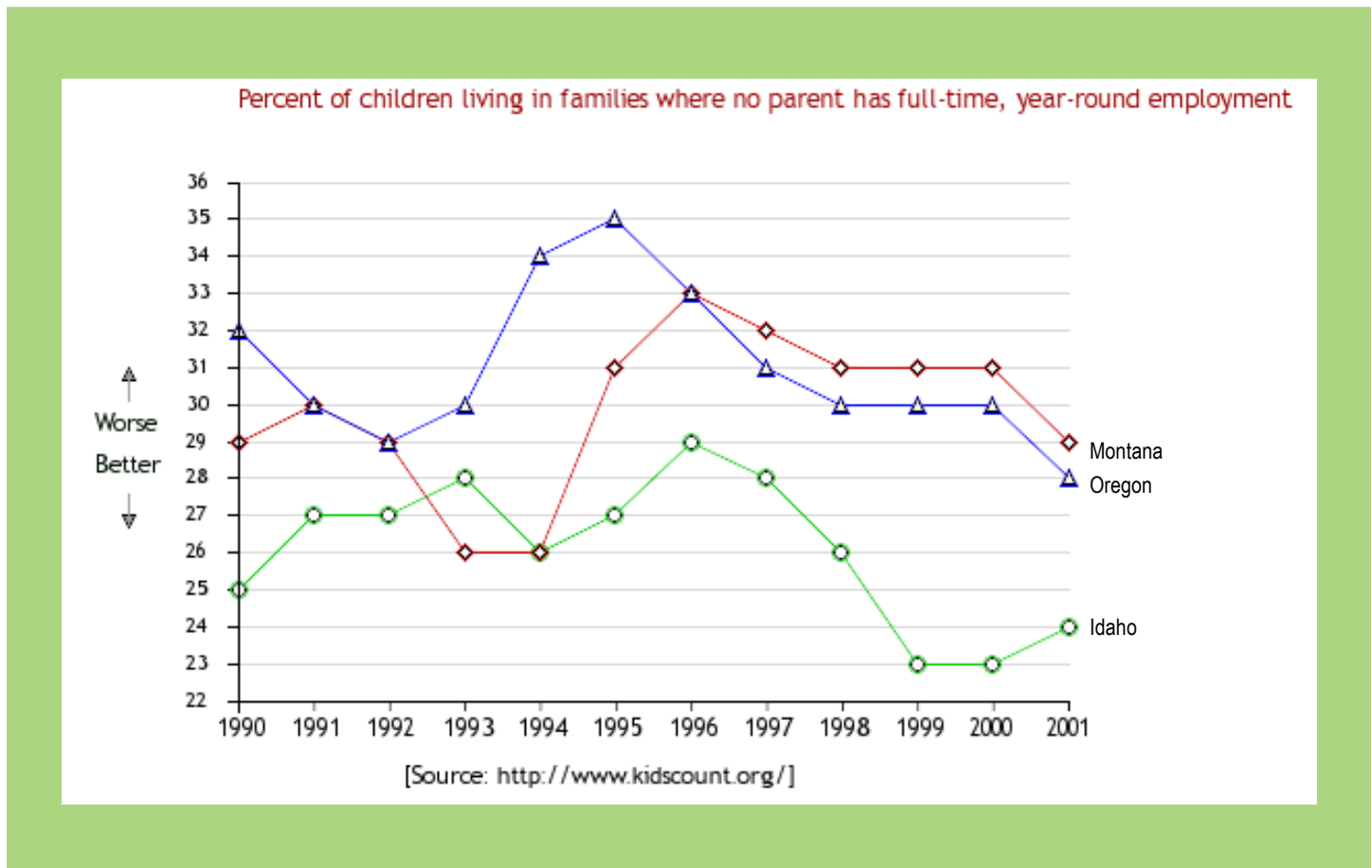
Figures from KIDS COUNT suggest disturbing trends for Idaho's families and children. As can be seen in the graph below, economic security was better for Idaho than for the nation during all years from 1990 to 1995. Since 1996, the figures for Idaho have been similar to national figures:



The graph shows 3-year averages, adding stability to the data estimates. For example, the figure for Idaho for 2001 (24%) is the average for 2000, 2001, and 2002. Percentages reflect the proportion of children living in families where no parent (the only parent in single-parent families, either parent in married-couple families) worked at least 35 hours per week for at least 50 weeks in the previous year.

HOW DOES IDAHO COMPARE WITH NEIGHBORING STATES?

Of course, Idaho's situation looks better or worse depending on the comparisons used. For example, in contrast to the trends suggested by comparisons with national figures, Idaho maintained more economic security for families than neighboring states, Montana and Oregon, during almost all years since 1990:

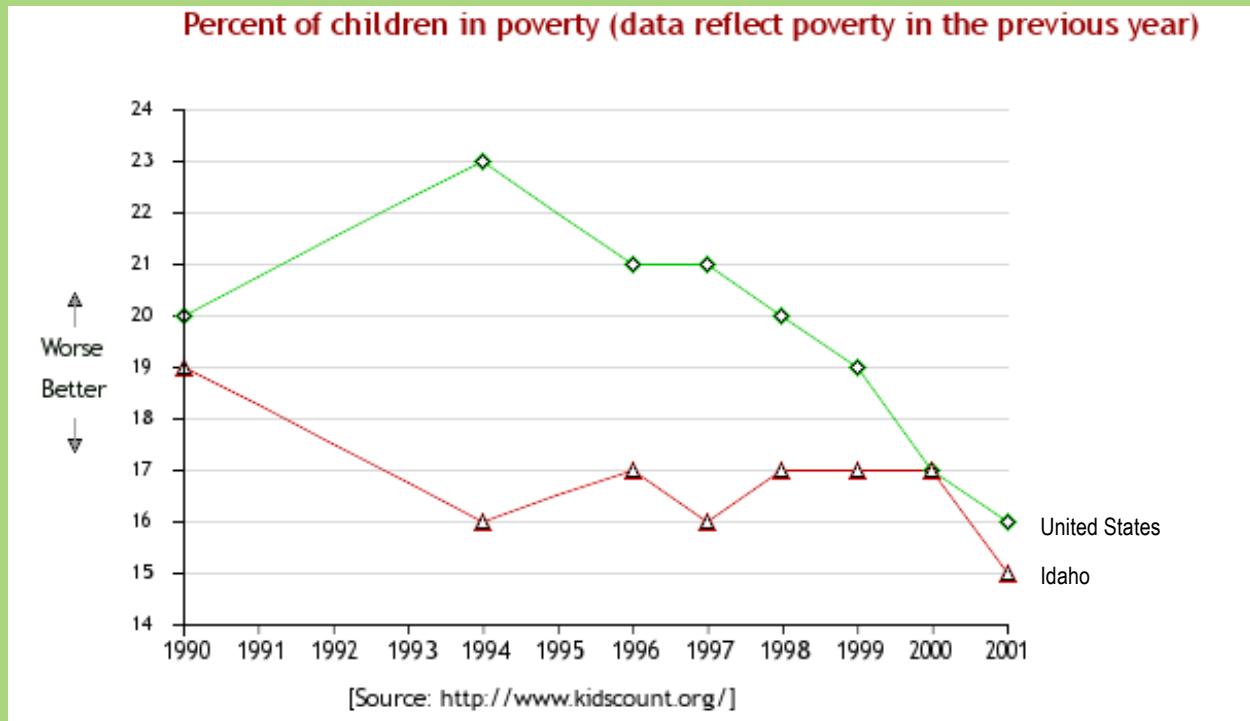


ANALYSIS: WHAT DOES IT MEAN? WHY DOES IT MATTER?

Regardless of the nature of the comparison, the fact remains that almost one in four children in Idaho live in families in which no parent has full-time, year-round work. These children live with the consequences of economic insecurity. Economic stresses on families, for example, appear to influence the quality of relationships between parents and their children. Researchers have concluded that many of the negative effects of poverty (for children) result from the influences of economic stresses on how parents interact with their children. Stresses have been associated, for example, with harsh and/or erratic patterns of parenting. In addition to strained relationships between parents and children, economic insecurity is associated with other things about which Idahoans deeply care. This report focuses on childhood poverty, early reading, and single parenthood as examples.

CHILDHOOD POVERTY

Not surprisingly, trends for childhood poverty are similar to those observed for economic insecurity. Trends for the percentage of children living in poverty also reveal a pattern of increasing similarity between Idaho and national figures since the mid-1990's:

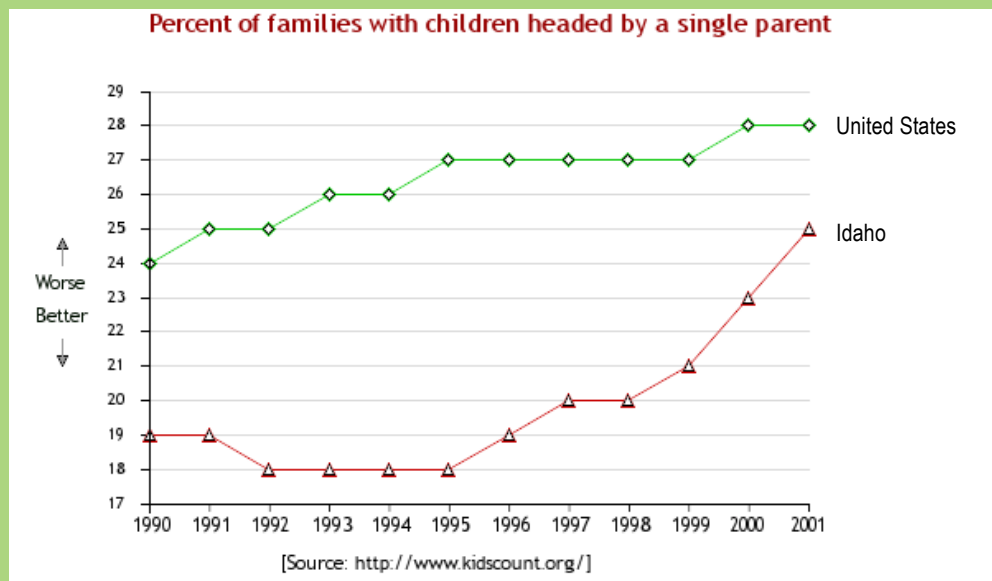


FAMILY POVERTY AND THE IDAHO READING INDICATOR (IRI)

Childhood poverty is associated with a wide diversity of negative consequences for children, as summarized in previous Idaho KIDS COUNT publications on *Growing up Poor in Idaho*. This report focuses on early reading as an example; how children perform on the Idaho Reading Indicator (IRI) is closely associated with childhood poverty. For this report, statistical correlations were calculated to assess the association between rates of childhood poverty in Idaho school districts in 2000 (US Census, children 5 to 17) and the percentages of children reading below grade level in the same school districts four years later (Idaho State Department of Education IRI Proficiency Levels Winter 2004, for districts with at least 10 tested children per grade level). The percentage of kindergarten children reading below grade level and the average percentage for kindergarten, first, and second graders were both significantly correlated with poverty measures ($r_s = .22$ and $.23$, respectively). Sometimes, statistical analyses of Idaho data are criticized because of small populations in some areas (for example, in some counties or school districts); with small numbers, statistical “flukes” might emerge. Hence, the same correlations were re-calculated for only those school districts with at least 700 children in 2000 (according to US Census figures). For these 65 school districts, the same correlations were significantly higher and particularly impressive. Rates of childhood poverty in 2000 were very significant predictors of rates of reading below grade level for kindergarteners in 2004 ($r = .65$) as well as significant predictors of the average percentage of kindergarteners, first graders, and second graders reading below grade level in 2004 ($r = .63$).

ECONOMIC INSECURITY, POVERTY, AND SINGLE PARENTHOOD

In addition to such things as healthy parenting and reading levels of young school children, Idahoans appear to care deeply about the growing number of single-parent families. Family stress and conflict associated with economic insecurity make divorce or separation more likely; poor parents separate twice as frequently as do nonpoor parents (Sherman, 1997). Although Idaho rates have historically been lower than national averages, state and national figures appear to be moving closer together, as has also been observed for economic insecurity and childhood poverty:



ECONOMIC INSECURITY: WHAT ARE THE CAUSES?

What factors influence economic security for families and, in turn, childhood poverty, early reading, and single parenthood? Clearly diverse factors are involved; a few possibilities are listed below:

- **Single parenthood:** Single parenthood can be a cause as well as a consequence of economic insecurity. As summarized earlier, economic insecurity and poverty can lead to separation or divorce. Once that happens, further economic stresses are likely. Custodial parents experience significant declines in family income following divorce or separation. Also, single parents often have difficulty balancing the demands of parenting (e.g., picking up a sick child from school) and the demands of job advancement or promotion. Further, most single parents are women; wage levels for women remain lower than for men. According to the U.S. Census, over half (53.5%) of young children (under 5 years) living in single-mother families in Idaho were also living in poverty in 2000 (below the federal poverty threshold).
- **Education levels:** Education level is a good predictor of economic security. According to the 2000 Census, fewer young adults (18-24 years) in Idaho obtain Associate or Bachelor's degrees (8.4%) than for the nation as a whole (11.3%).
- **Availability of jobs:** One obvious reason for economic insecurity for families is that many parents who seek full-time, year-round work cannot find it. The National Center for Children in Poverty reported, for example, that over half (53%) of parents from **low-income** families who worked full-time, for only part of the year, could not find year-round work. More than a third (37%) of **low-income parents** with part-time jobs reported that they could not find full-time work.

- **Nature of jobs:** It is also important to recognize that full-time year-round work does not guarantee economic security. For example, for 57% of **low-income families** in Idaho, at least one parent has full-time year-round work. Further, far more parents are employed than is suggested by the most recent figure for economic insecurity in Idaho (24%). For example, only 6% of **low-income families** in Idaho have no parent in the labor force (National Center for Children in Poverty). Unfortunately, it appears that many jobs in Idaho fail to provide economic security.

2001 VERSUS 2004: AREN'T THINGS BETTER NOW?

This report is based primarily on the recent release (by KIDS COUNT) of information on economic security for families in 2001. Many might question whether the trends apparent in 2001 might have already reversed themselves by 2004. This seems unlikely; a few reasons include the following:

- As reported here, childhood poverty in Idaho school districts in 2000 was an impressive predictor of reading scores obtained by Idaho school children in 2004. Family poverty – and the effects of that family poverty – do not reverse themselves quickly or easily.
- A recent study of economic recovery in 2002 and 2003 indicated that, relative to past economic recoveries, workers' share of the increased national income (e.g., through wages, benefits) decreased (while corporate profits increased; Center for Labor Market Statistics, Northeastern University, 2004).
- Idaho jobs lost to outsourcing to other countries increased from 2001 (359 jobs) to 2003 (1,551 jobs; *Idaho Statesman*, 5-30-04).

WHAT CAN BE DONE? WHAT WORKS?

Clearly, there are many ways that economic insecurity of families adversely affects children as well as adversely affects the citizens and taxpayers of Idaho; many of these are reviewed in the Idaho KIDS COUNT series on *Growing up Poor in Idaho*. Fortunately, there are also positive forces operating for Idaho's children and families that can provide direction for the future; a few examples include:

- According to the 2000 Census, only 4.8% of Idaho's children lived in high-poverty neighborhoods, a rate significantly lower than the 20.4% observed nationally. Researchers have confirmed that some of the adverse effects of poverty result from living in neighborhoods with high concentrations of poverty. Hence, future policies and planning should focus on maintaining this advantage for Idaho's children. Increased future investments in low-income or affordable housing in neighborhoods with low concentrations of poverty would be particularly helpful to Idaho's children.
- Programs like *Parents as Teachers* offer help to large numbers of Idaho families; these kinds of support programs for parents can help reduce the family stresses that jeopardize healthy parent-child relationships. Expanding this and other support programs would be particularly helpful to families experiencing economic stresses (see www2.state.id.us/FirstLady/parentsasteachers.html).

There are a wide variety of other types of programs and policies that can increase the economic security of Idaho's families and/or help alleviate the adverse consequences of that economic insecurity (for both families and children). A few examples include:

- Since much of Idaho's poverty exists in rural areas, programs for economic development should focus on increasing jobs that provide rural families with economic security.
- Increased child care subsidies as well as increased investments in improving the quality of child care in Idaho will reduce the economic burdens of working parents as well as improve outcomes for children.
- Like investments in child care, continued investments in the Children's Health Insurance Program (CHIP) would provide significant benefits for Idaho's families and children.

“Every \$1 invested in quality early childhood care and education saves as much as \$7 by increasing the likelihood that children will be literate, employed, and enrolled in postsecondary education and less likely to be school dropouts, dependent on welfare, or arrested for criminal activity.” (Children’s Defense Fund)

HIGHLIGHTS

Strategies that Build Resilience Against Economic Stress on Children:

- Creation of good paying jobs, particularly in rural areas
- Adequate funding of childcare subsidies for low-income working parents
- Adequate State investments in early care and learning programs
- Adequate State investments in the Children’s Health Insurance Program (CHIP)

RESOURCES

- Center for Labor Market Studies, Northeastern University: www.nupr.neu.edu/4-04/corporate_profits.pdf
- Children’s Defense Fund: www.childrensdefense.org
- Duncan, G. H., & Brooks-Gunn, J. (1997). *Consequences of growing up poor*. New York: Russell Sage Foundation
- Idaho Department of Education: www.sde.state.id.us/IRI/iristats/irianalysis.asp
- Idaho KIDS COUNT (2001) *Growing up poor in Idaho (Impact on school readiness and educational performance, health and child development, economic and workforce development, crime and the correctional system)*
- KIDS COUNT: www.KIDSCOUNT.org
- National Center for Children in Poverty: www.nccp.org
- Parents as Teachers: www2.state.id.us/FirstLady/parentsasteachers.html
- Sherman, A. (1997). *Poverty matters: The cost of child poverty in America*. Washington D.C.: Children’s Defense Fund
- U.S. Census Bureau: www.census.gov

ABOUT THE AUTHOR

Linda J. Anooshian, Ph.D., received her Ph.D. degree in 1974 from the University of California at Riverside. She has been conducting research and teaching at the university level on different aspects of child development for over 25 years. During this time, she has published over 30 articles in professional journals. In addition to studying memory and cognition during childhood, Dr. Anooshian’s research and scholarship has focused on the pervasive negative outcomes observed for poor and homeless children.



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