

All Our Kin?

Measuring Poverty using Alternative Family Definitions 2006 - 2015

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Background: Poverty Measurement in the US

- Family-level measure
- Determined by family resources (pre-tax money income) compared to a threshold based on family size, composition and age of householder

Background: Census definition of family

“A family is a group of two persons or more (one of whom is the householder) residing together and related by birth, marriage or adoption.”

<http://blogs.census.gov/2015/01/28/statistical-definition-of-family-unchanged-since-1930/>.

Why does this matter?

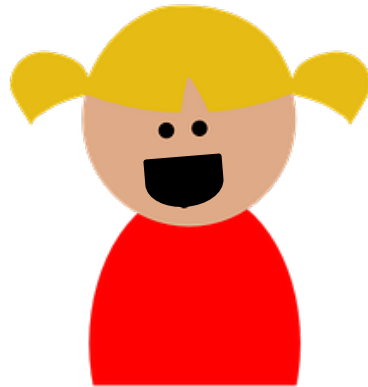
- Because family is defined in relation to the householder, children may not be assigned to the same family as their parents:
 - If they are adult children of persons unrelated to the householder
 - In unmarried partner families in which the partners share child(ren)
- Increases in family complexity over the last 5 decades

How do we assign these people into a family?

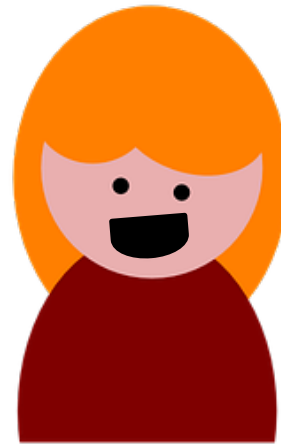
Justin lives with his sister
Patty, his mom, Anne, and
dad, Bill



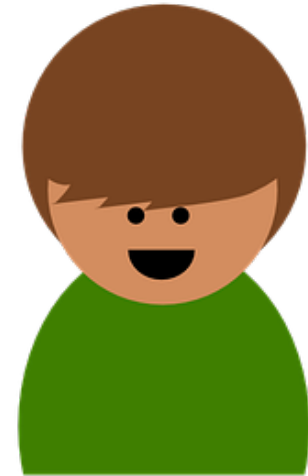
Justin, Age 8



Patty, Age 10



Anne, Age 35

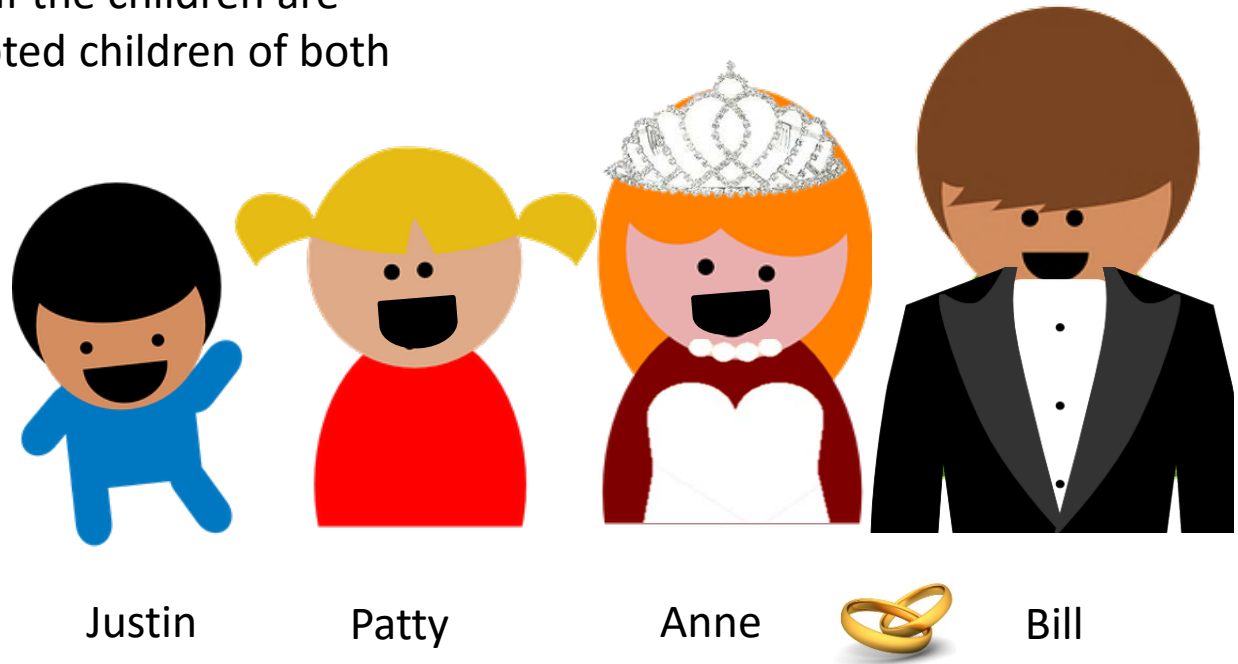


Bill, Age 37

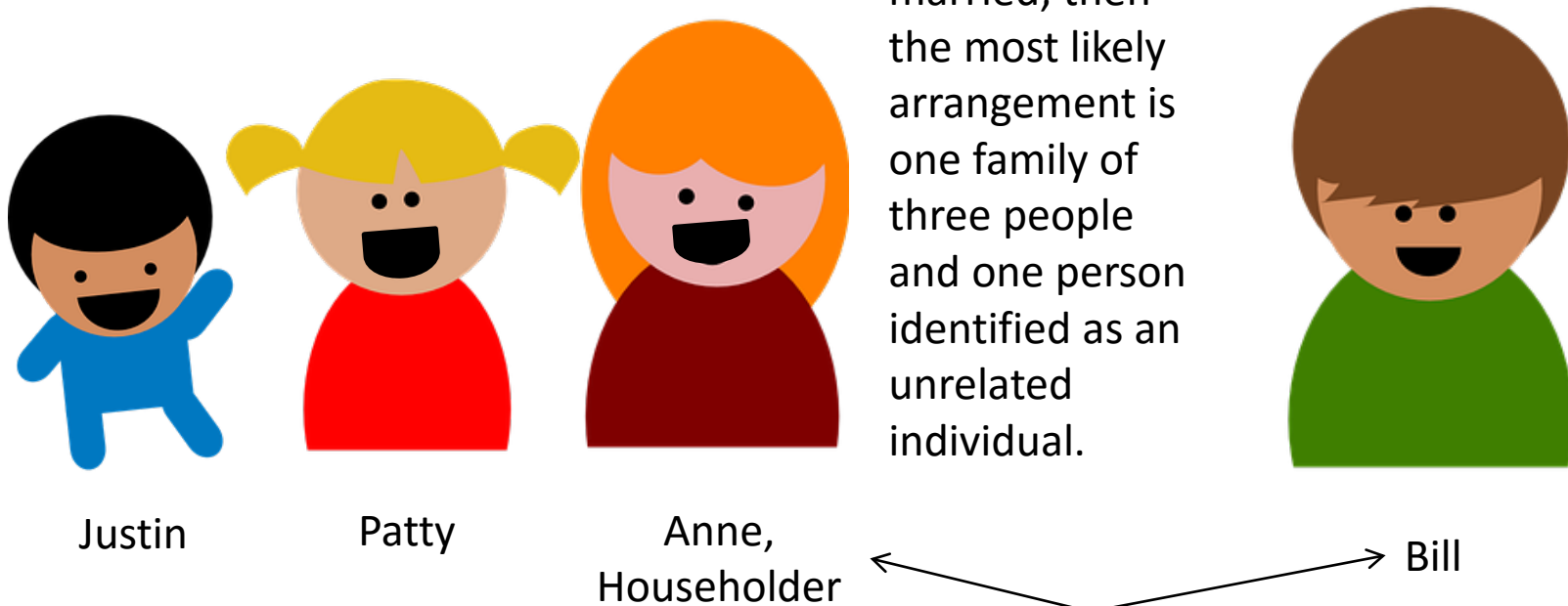
Married couple family

If Anne and Bill are legally married, then this is one family of four.

- It doesn't matter whether Anne or Bill is the householder
- It doesn't matter if the children are biological or adopted children of both parents.



But if they are not married ...



If Anne and Bill are **not** married, then the most likely arrangement is one family of three people and one person identified as an unrelated individual.

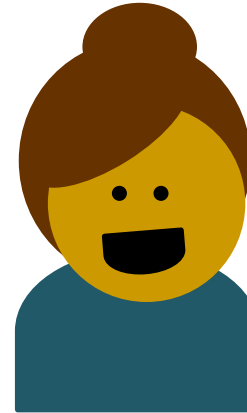
In this example, Anne is the householder. If Bill were the householder, he would be with Patty and Justin in the 3-person family. If neither is the householder, other criteria determine who is part of the family and who is not.

How do we assign these people into a family?

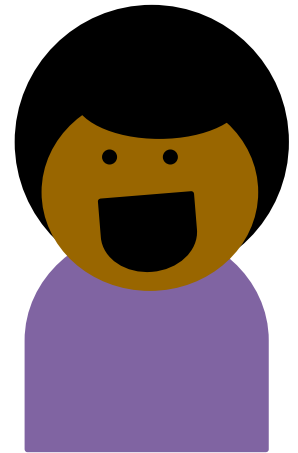


Angela, Age 36
Householder

Justine, a 15 year old,
lives with her father,
Paul. They rent rooms in
Angela's house.



Justine, Age 15



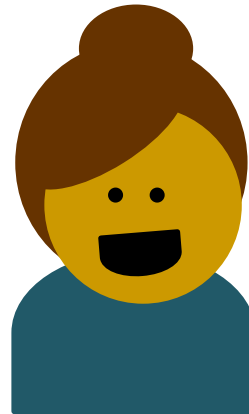
Paul, Age 47

Because Justine is under 18, she is assigned to a family with Paul, her father.

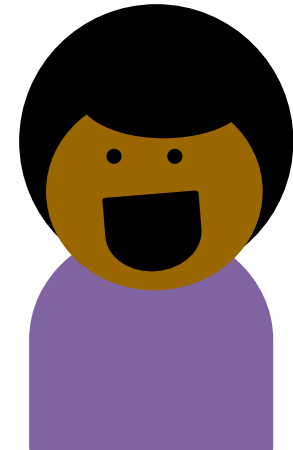
How do we assign these people into a family?



Angela, Age 36



Justine, Age 23



Paul, Age 47

But if Justine is over 18, and is not related to Angela, the householder, she would be classified as an unrelated individual, as would Paul. They would not be assigned to the same (sub)family.

In this example, Angela is the householder. If Paul were the householder, then he and Justine would constitute a family, and Angela would be an unrelated individual.

Changes to the CPS ASEC that impact family assignment

- 2007:
 - Ability to identify second parent (mother and father pointers)
 - Ability to identify cohabiting partner of anyone in household (unmarried partner pointer)
- These changes let us identify and assign all children to families with their parents, regardless of child age, or parents marital status
- These changes are implemented in annual tables describing living arrangements but have not used them to assign family membership for poverty measurement purposes

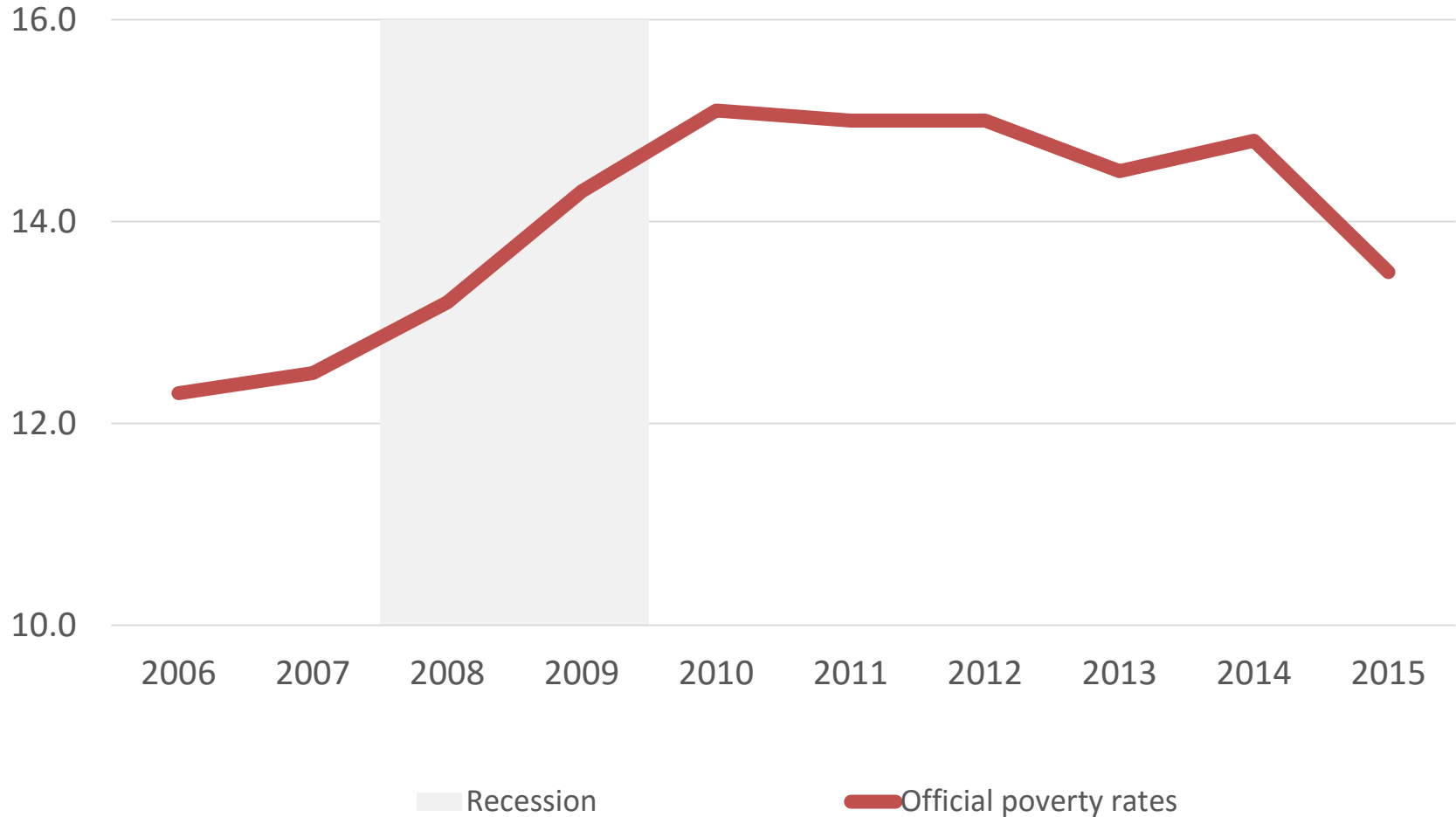
Analytic strategy

- Compare poverty rates under constructed family assignments to official poverty rate
 - Unrelated persons with parents in the household
 - Cohabiting partners with shared children
 - Cohabiting partners with “step” children
 - Cohabiting partners with no children
 - All household household members
- Comparisons by:
 - Age
 - Racial/ethnic group
 - Educational attainment
- Examine change in poverty rates for those whose family assignments changed

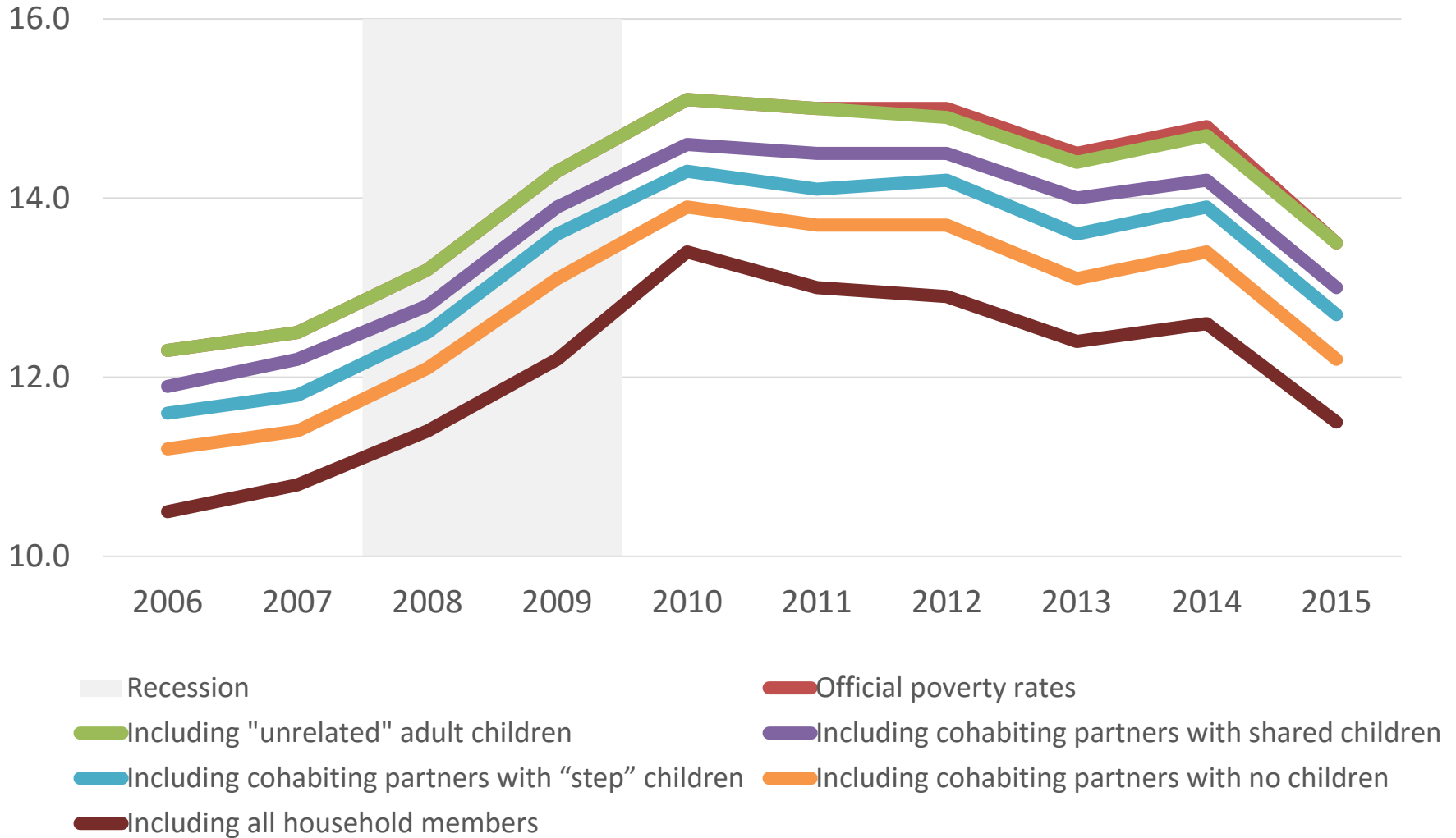
Data

- Current Population Survey Annual Social and Economic Supplement
- 2007 – 2016
 - References poverty status in CY 2006 – 2015

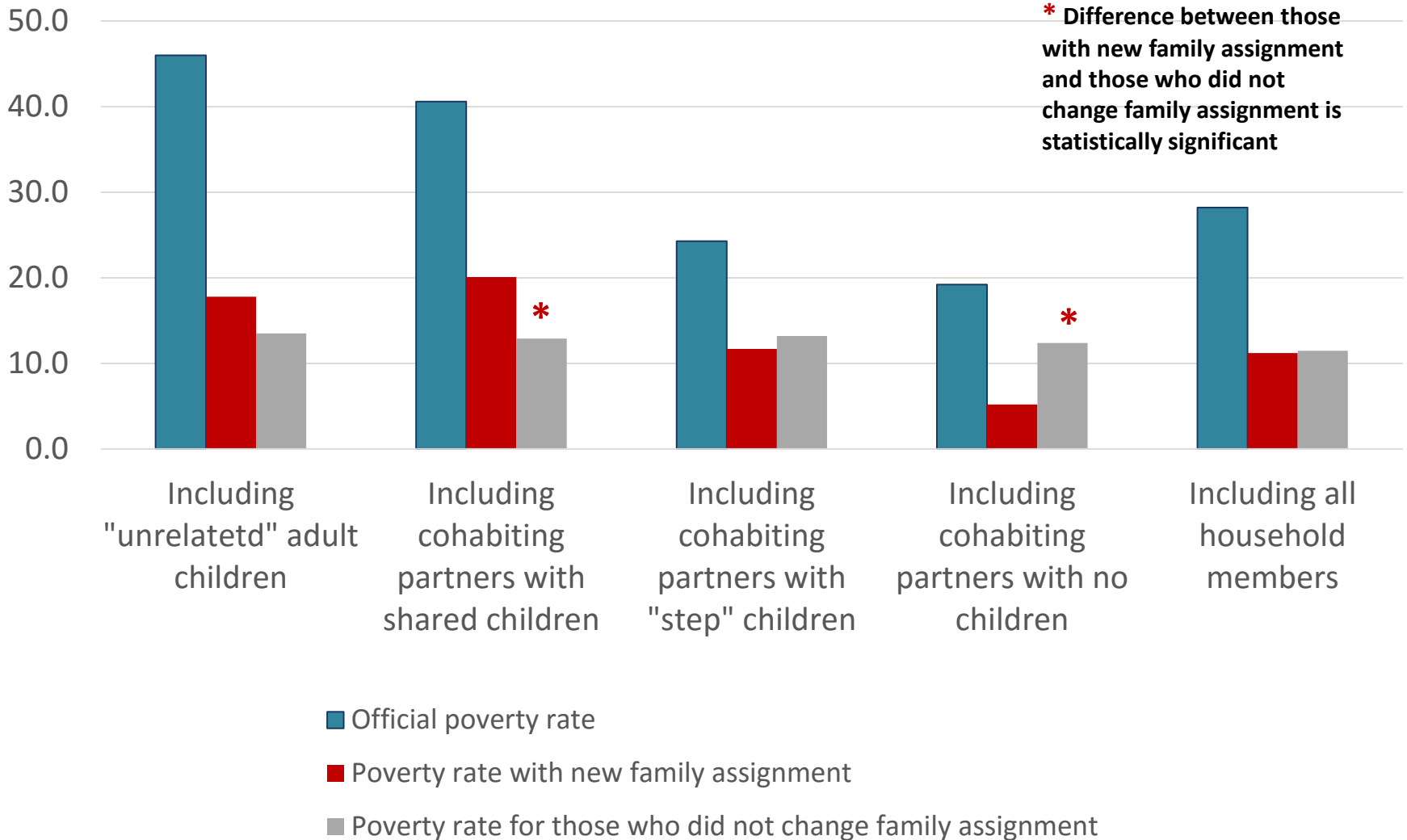
Results: Poverty Rates Under Various Family Assignments



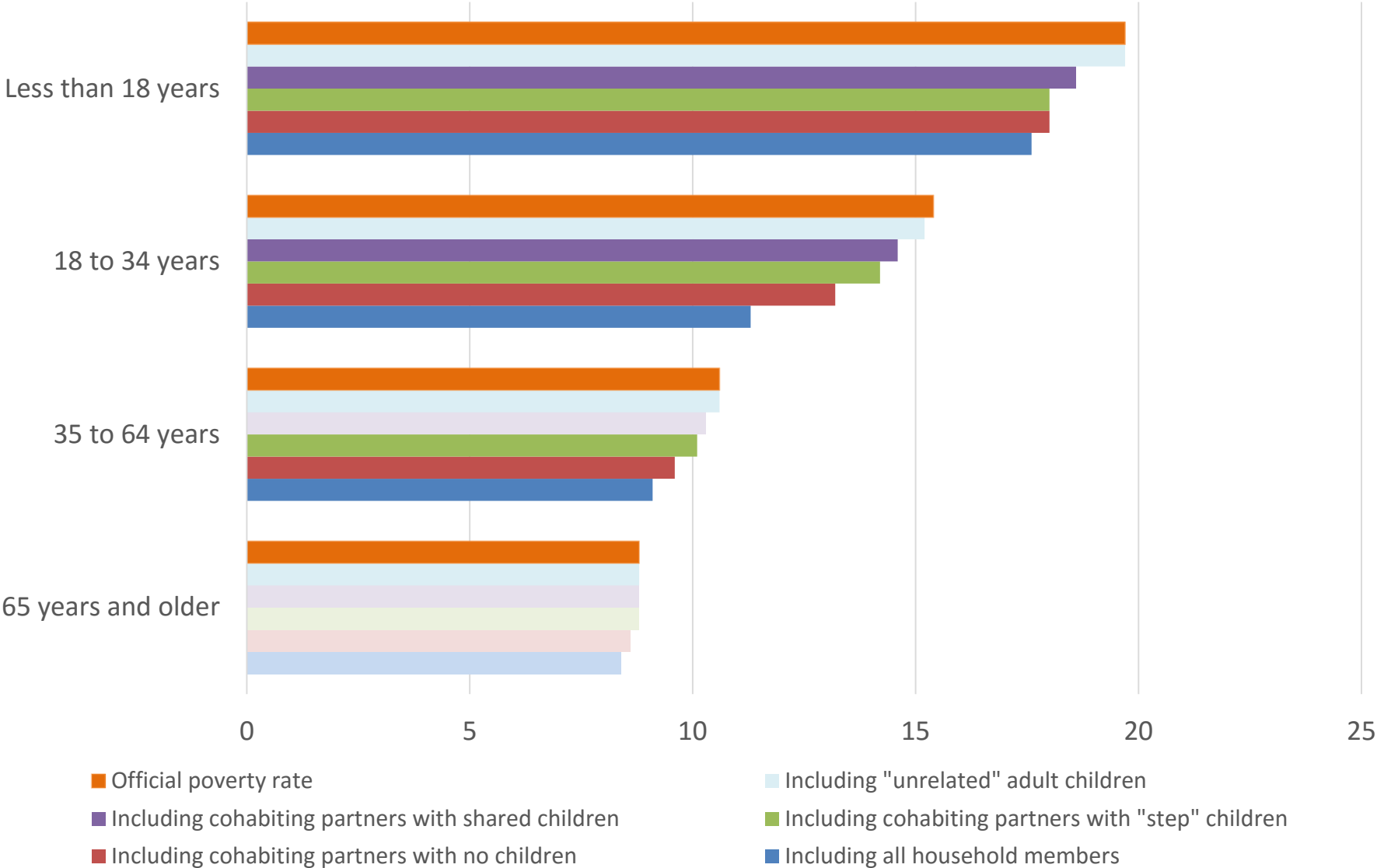
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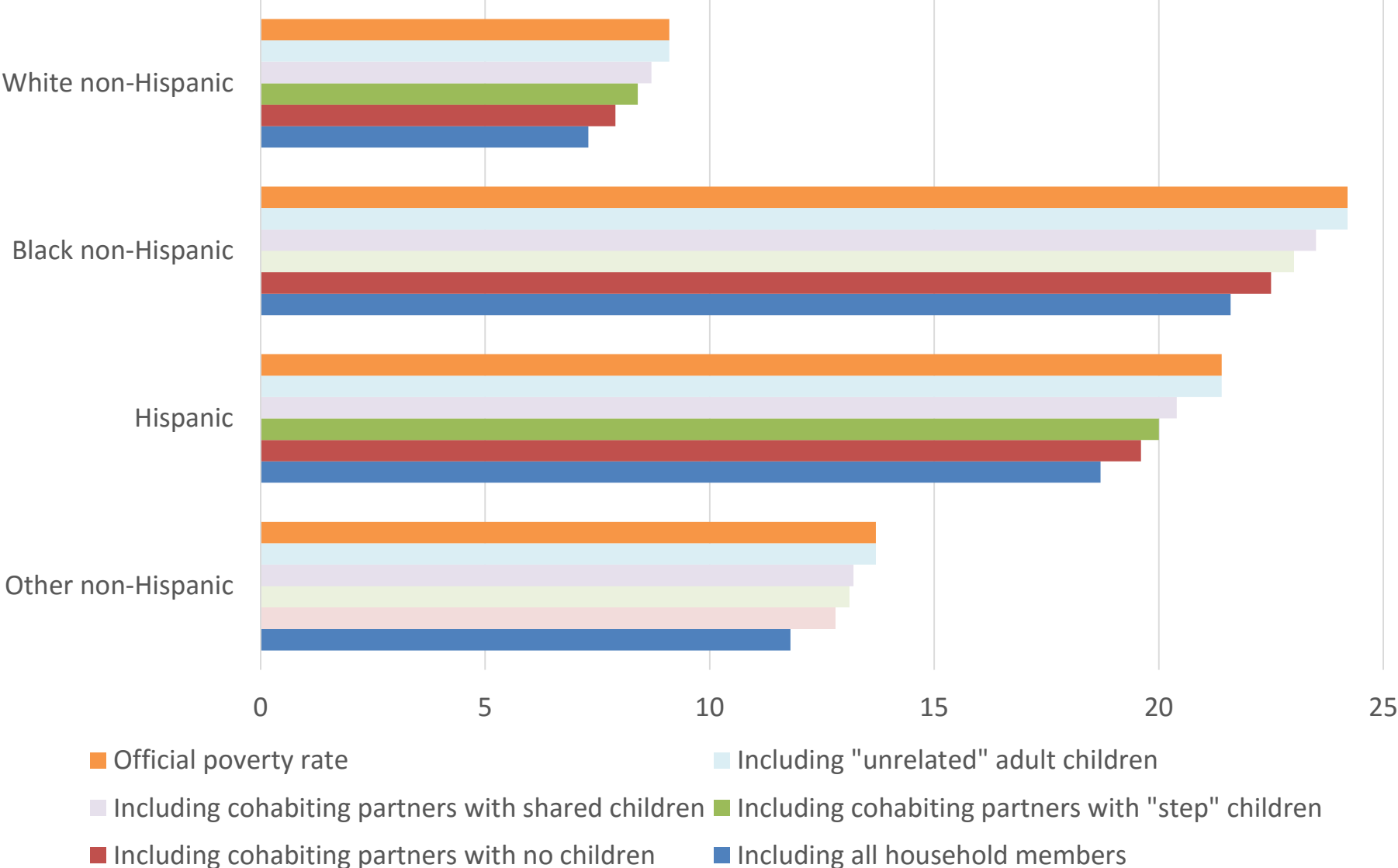
Poverty rates under alternative family assignments, CY2015



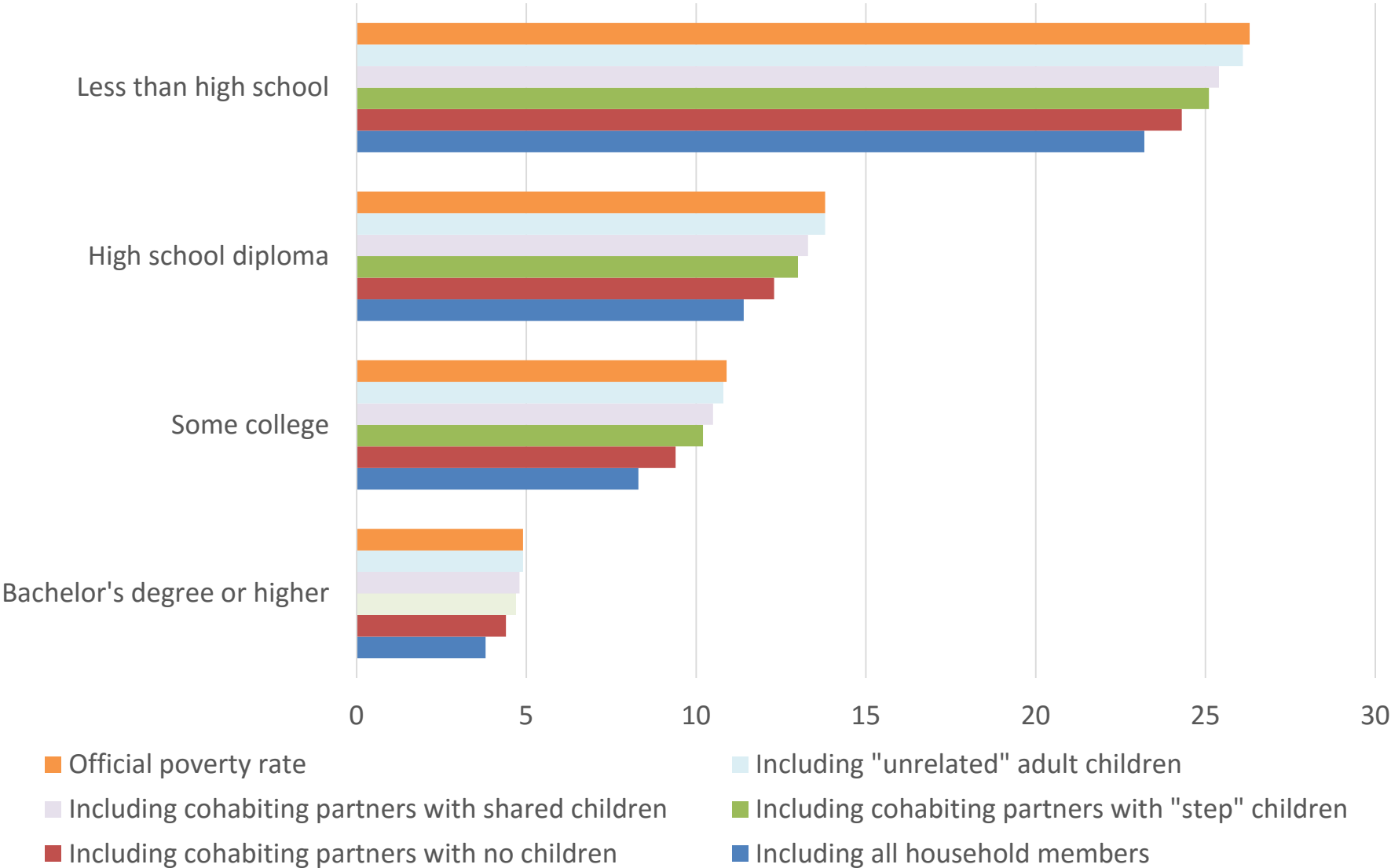
Poverty Rates Under Alternative Family Assignments, by Age CY2015



Poverty Rates Under Alternative Family Assignments, by Race CY2015



Poverty Rates Under Alternative Family Assignments, by Education CY2015



Discussion

- Alternative family assignments ensure that children, including all adult children, are in families with their parents
- Assigning unrelated adult children to families with their parents does not change overall poverty rates, as these families represent a small proportion of the overall population
- Assigning cohabiting parents into families (with or without children) reduces **overall poverty** for all persons (and for children under 18 years)
- Varying poverty definitions do not alter broad poverty trends across time
- Younger persons and those with lower educational attainment experience significant reductions in poverty under alternative family assignments incorporating cohabiting partners
- Poverty rates for persons who change family definitions are significantly reduced compared to official poverty

Future Research

- Use multivariate analysis to predict changes in poverty status under various family assignments
- Replicate analysis using SIPP

Thank you!

Questions, comments or suggestions?

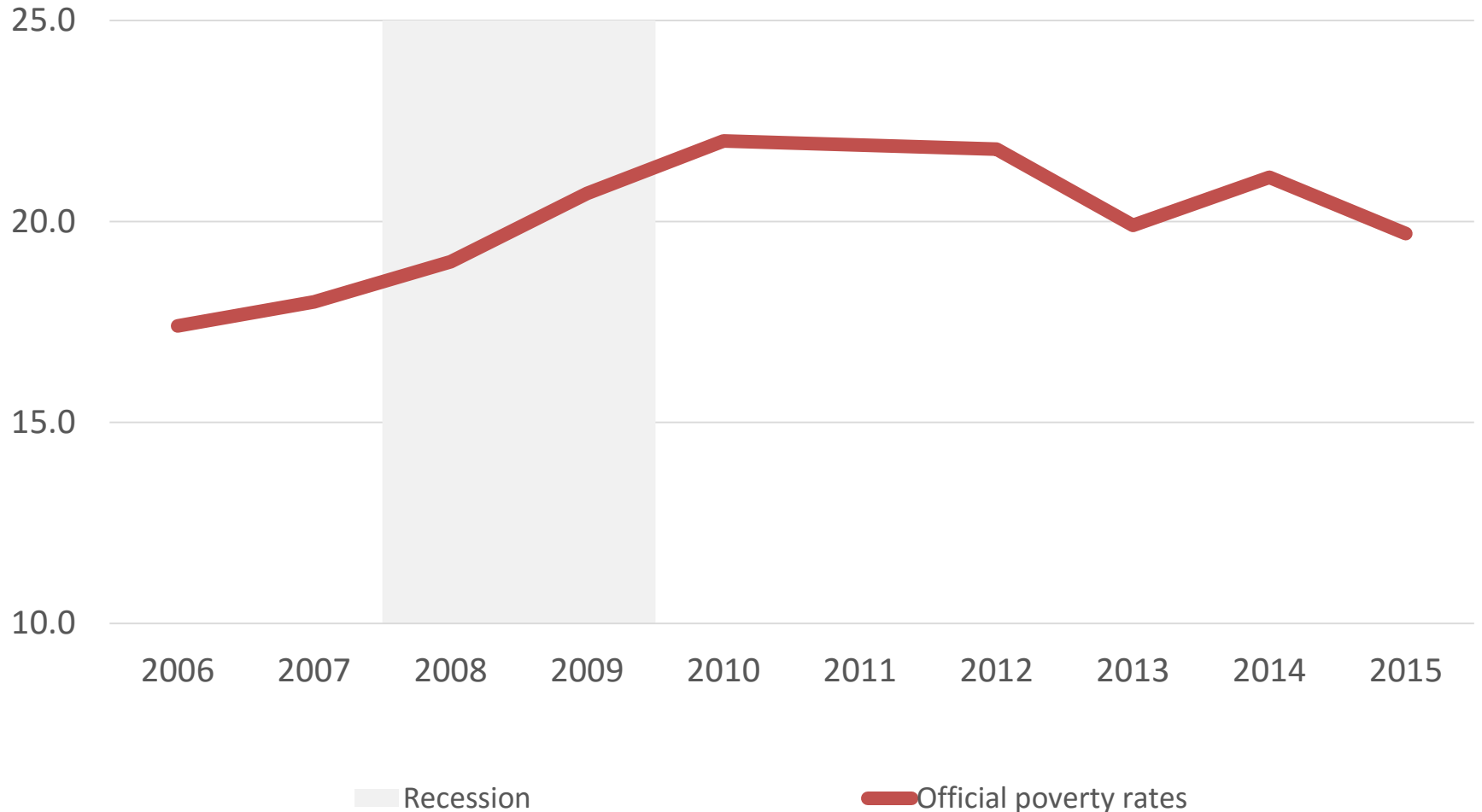
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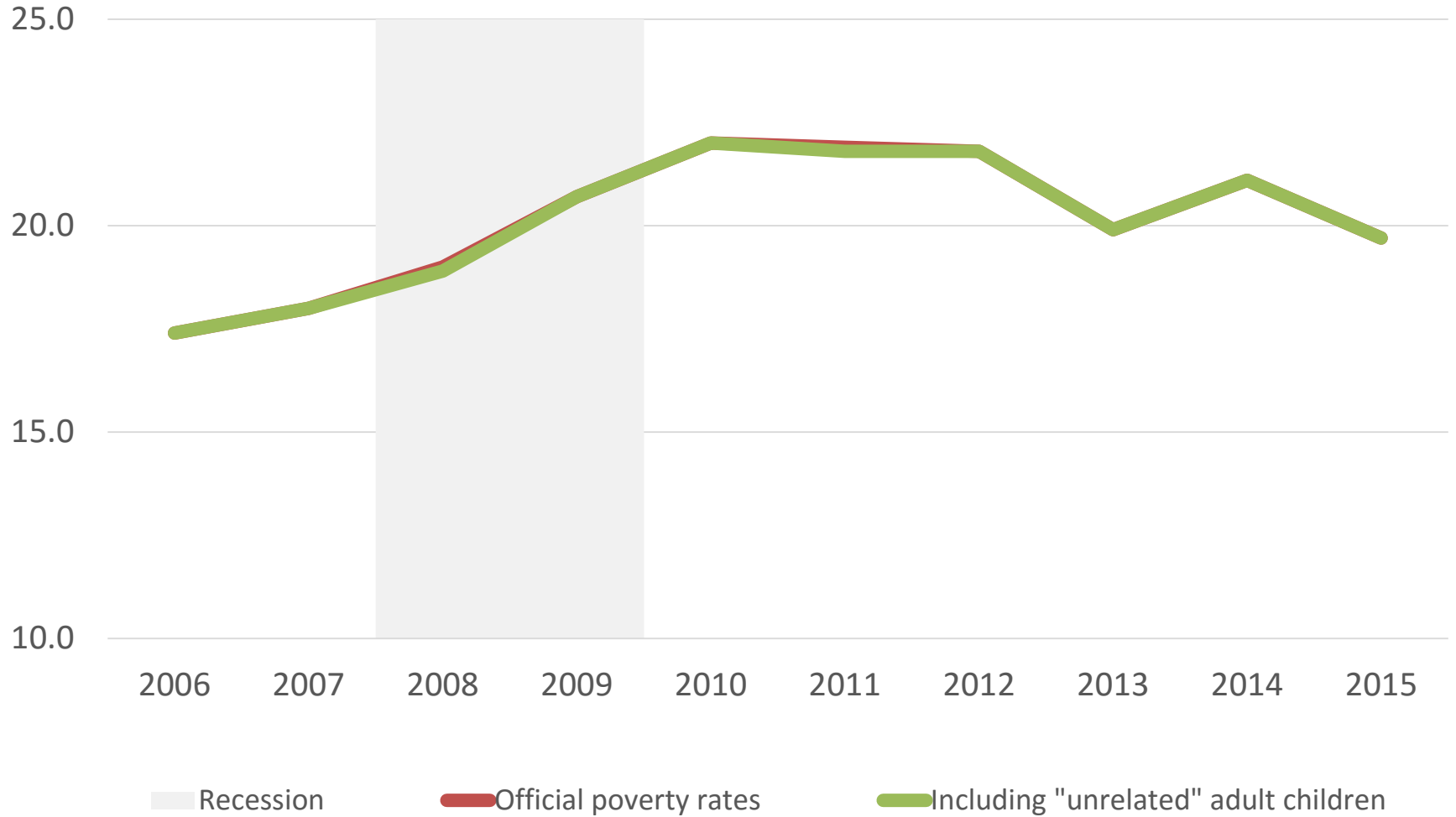
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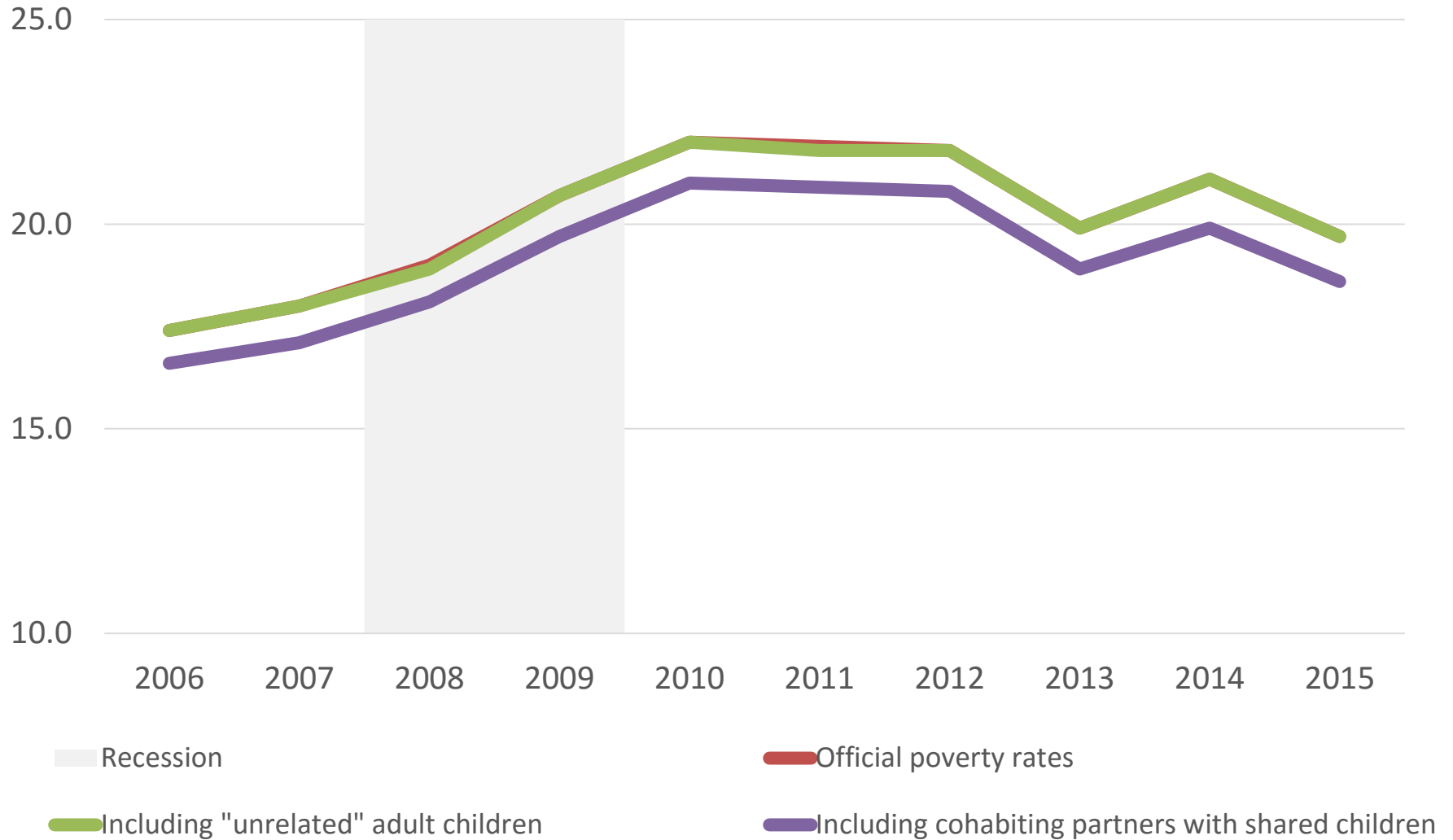
Results: Poverty Rates Under Various Family Definitions, Ages 18 and under



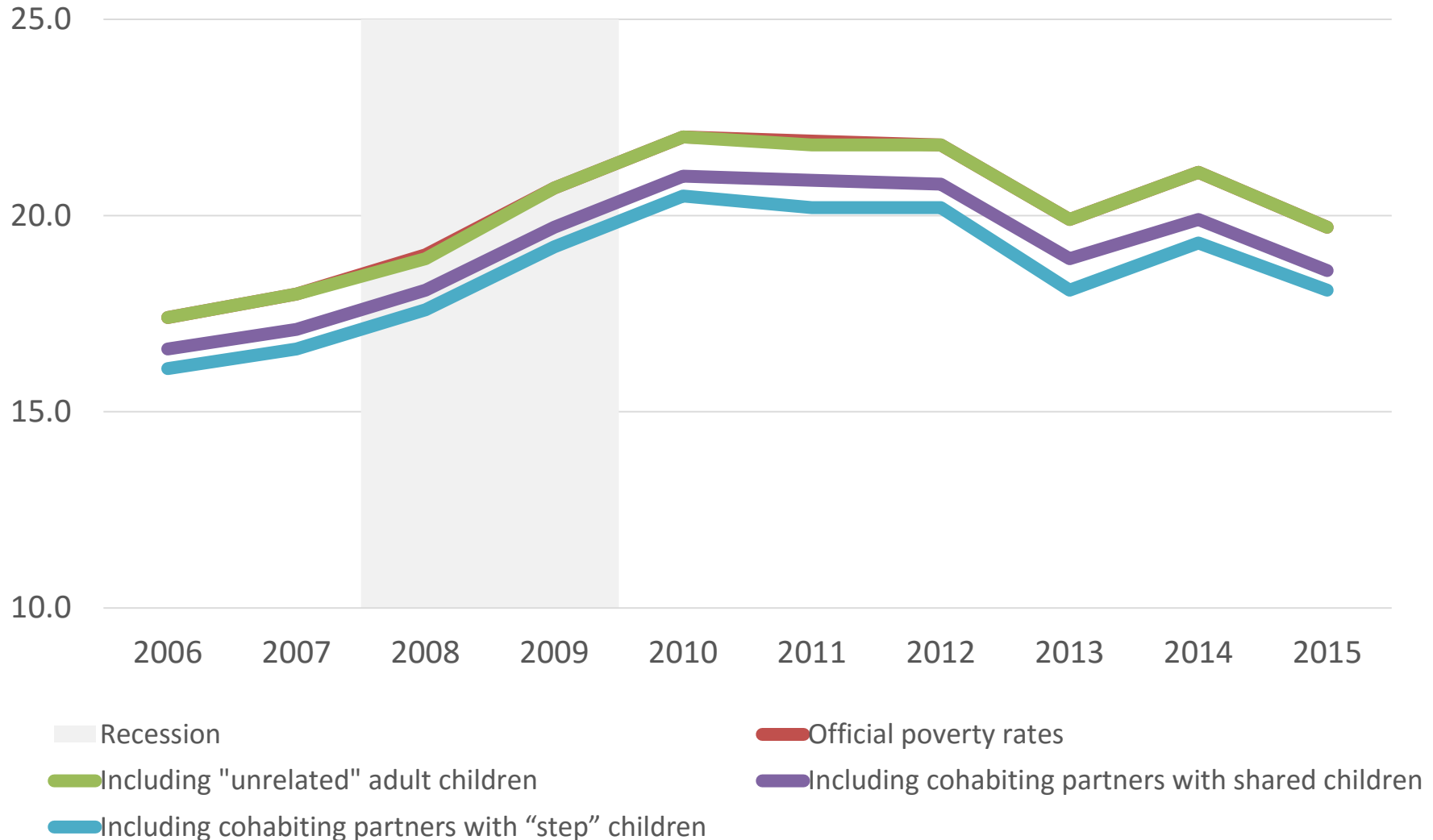
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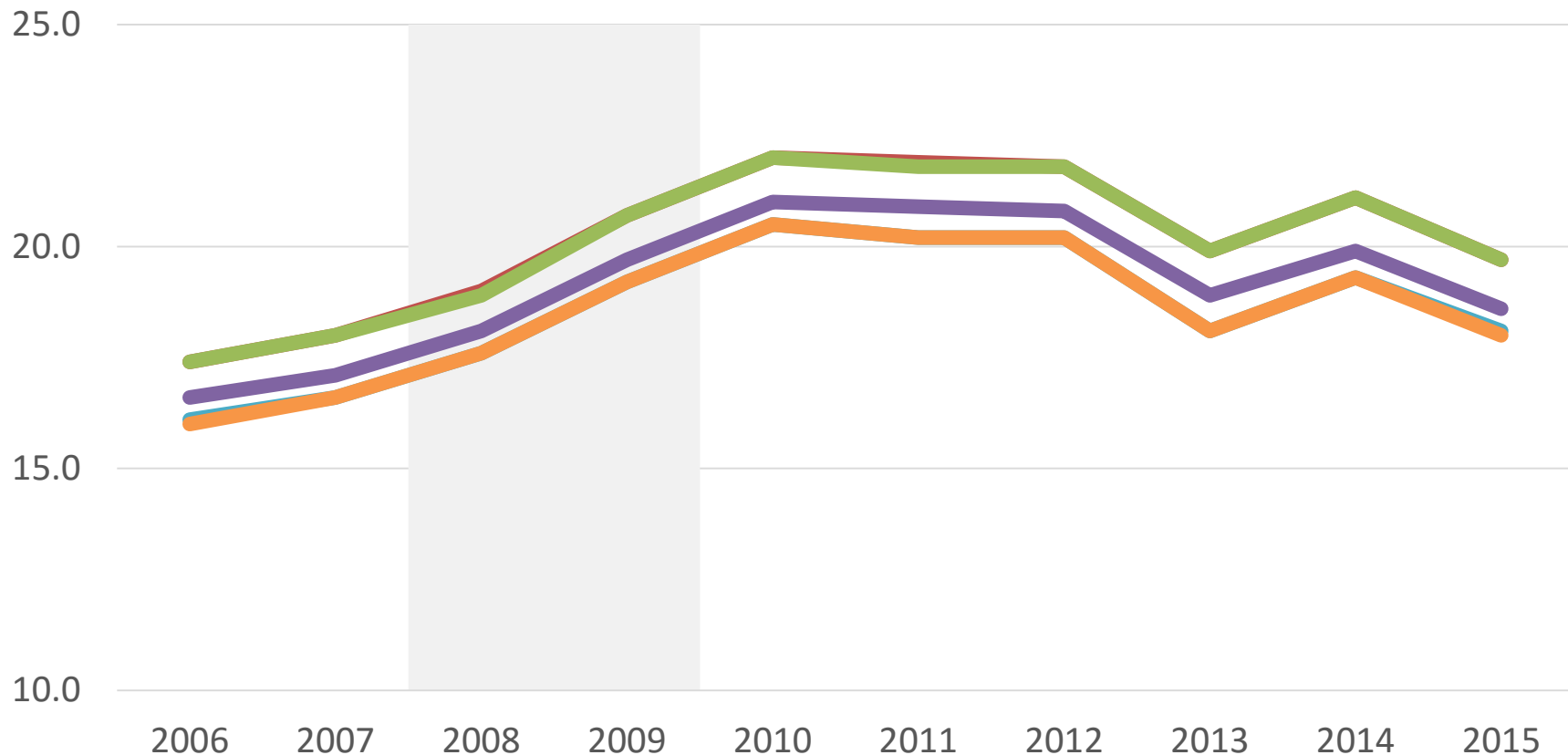
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Recession

Including "unrelated" adult children

Including cohabiting partners with "step" children

Official poverty rates

Including cohabiting partners with shared children

Including cohabiting partners with no children

Results: Poverty Rates Under Various Family Definitions, Ages 18 and under

