All Our Kin? Measuring Poverty Using Alternative Family Assignments: 2006 - 2015

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INCREASES IN FAMILY COMPLEXITY OVER 5 DECADES

- Delayed marriage. (<u>http://www.census.gov/hhes/families/files/ms2.xls</u>)
- Increase in cohabitation among unmarried partners (Kenney).
- Increase in nonmarital childbearing, including births to cohabiting couples (Lichter, Musick and Michelmore, Hamilton, et al.).
- Increase in same-sex couple households. (http://www.census.gov/hhes/samesex/files/ssex-hist-tables.xlsx)
- Increase in multiple partner fertility (Cancian and Haskins).

BACKGROUND

POVERTY MEASUREMENT: Determined by family resources (pre-tax money income) compared to a threshold based on family size, composition and age of householder.

FAMILY DEFINITION: A family is a group of two or more persons residing together and related by birth, marriage or adoption.

WHY DOES THIS MATTER?

- Increases in family complexity over the last 5 decades.
- Poverty is calculated for families where family membership is defined in relation to the householder, and thus children may not be assigned to the same family as their parents:
 - (1) Adult children of persons unrelated to the householder
 - (2) Unmarried partner families in which the partners share child(ren).

WHY NOW?

2007 Changes to the CPS ASEC:

- Ability to identify second parent (mother and father identification variables)
- Ability to identify cohabiting partner of anyone in household (unmarried partner identification variable).

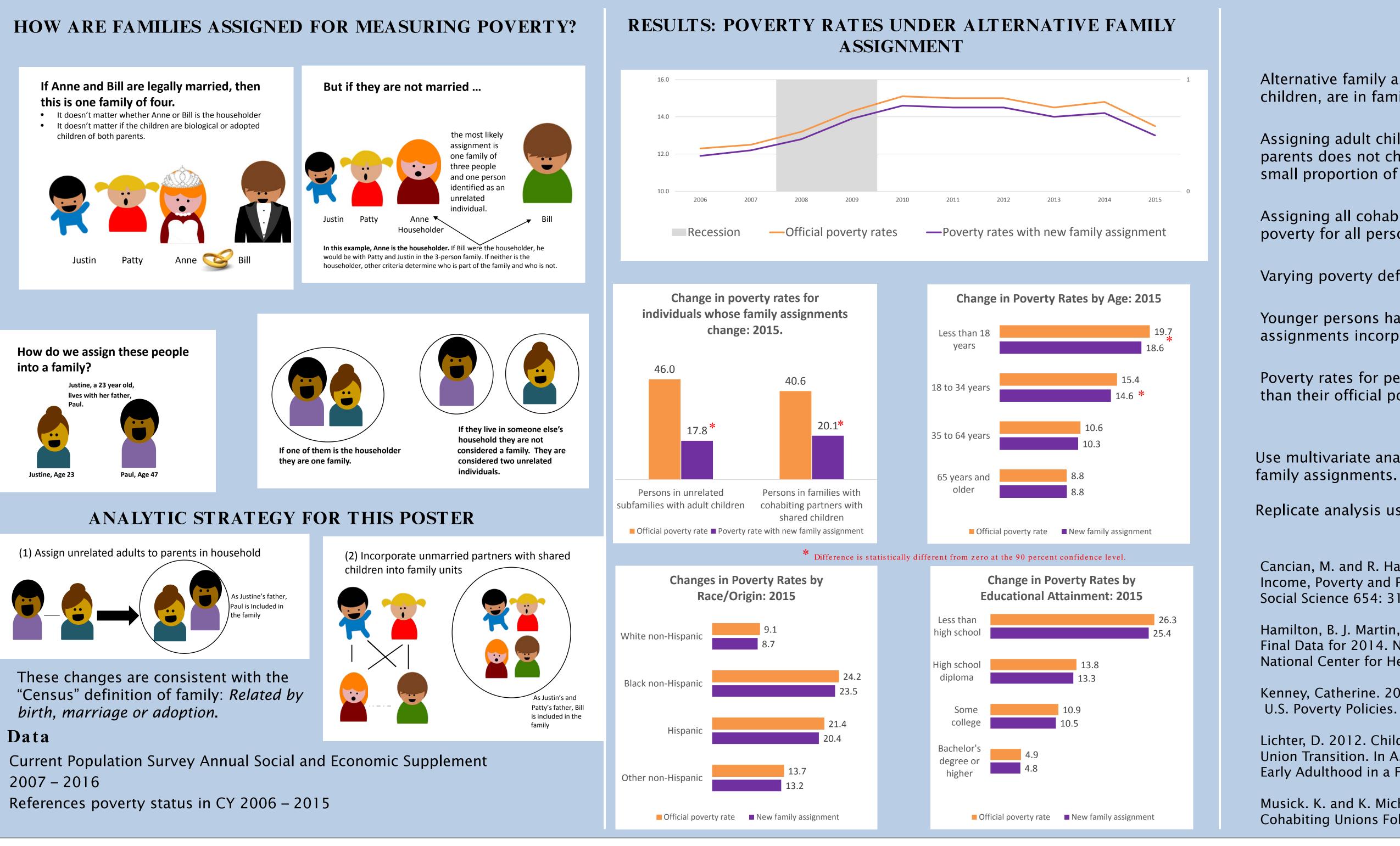
These changes let us identify and assign all children to families with their parents, regardless of child age, or parents' marital status.

WHAT ABOUT THE SUPPLEMENTAL POVERTY MEASURE?

- Supplemental Poverty Measure (SPM) includes <u>all</u> cohabiters and their relatives in a single resource unit regardless of the presence of children.
- Since there are so many differences between the official poverty measure and the SPM, it is difficult to isolate the impact of the change in the unit of analysis.
- SPM changes are <u>not</u> consistent with the "Census" definition of family: related by birth, marriage or adoption. For example, cohabiters are included in the resource unit even when there are no shared children.



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CONCLUSIONS

Alternative family assignments ensure that children, including all adult children, are in families with their parents.

Assigning adult children unrelated to the householder to families with their parents does not change overall poverty rates, as these families represent a small proportion of the overall population.

Assigning all cohabiting parents into families with their 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 have lower rates of poverty under alternative family assignments incorporating cohabiting partners.

Poverty rates for persons who change family definitions are significantly lower than their official poverty rates.

FUTURE RESEARCH

Use multivariate analysis to predict changes in poverty status under various

Replicate analysis using Survey of Income and Program Participation.

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