



State of Connecticut
GENERAL ASSEMBLY
Commission on Children



Child Poverty in Connecticut: January 2009

GREAT WEALTH, PERSISTENT POVERTY

Despite Connecticut's great wealth, one in ten children lives in poverty.

Connecticut is one of the wealthiest states in the nation, which compounded with its highly skilled workforce, makes the cost of living very high.¹ The state was one of three states in the nation with the highest median household income in 2007.²

Child poverty in Connecticut has not improved in recent years, according to the U.S. Census Bureau:

- In 2007, 10.6% of Connecticut children under 18 (85,530 children) lived in a family with income below the Federal Poverty Level (\$21,027 for a two-parent family with two children). This data from the U.S. Census Bureau's American Community Survey (ACS) represents no improvement from the 2004 level (10.1%).³
- One in four (25.1%) Connecticut children lived in a household with income below 200% of the Federal Poverty Level in 2007.⁴

Poverty in Connecticut is concentrated in urban areas.

Children living in poverty are unevenly distributed across Connecticut's 169 towns. While 38 towns had child poverty rates of less than 2% in the 2000 Census, seven towns had a rate above 23%, led by Hartford.⁵

In 2007, the state's largest cities had extremely high child poverty rates -- Hartford (47.0%), Waterbury (31.4%), New Haven (28.7%) and Bridgeport (28.4%).⁶

Most low-income families are working families.

Three-quarters (76%) of Connecticut's poor families with a parent able to work have a parent in the workforce (2003 data). Employment is not adequate to lift these working families out of poverty.⁷ In 2007, 19.1% of Connecticut workers did not earn enough to generate an income that meets the federal poverty threshold for a family of four, the highest rate since 1998.⁸

THE TWO CONNECTICUTS

The gap between high-wage and low-wage workers is growing.

From 1989 to 2007, the ratio of Connecticut workers' wages at the 90th percentile to the wages of workers at the 10th percentile rose from three and a half times to almost five times. This gap is

the seventh highest in the country, and contributes to much wider gaps in total income and wealth.⁹

Minority children are more likely to live in poverty.

In 2005, Latino/Hispanic and African American children in Connecticut were seven times more likely to live in poverty than white, non-Hispanic youth.¹⁰

Poor children start from behind because they lack access to good preschools.

Children growing up poor in Connecticut perform on educational tests at a much lower level than do higher-income children. The 2007 Nation's Report Card indicates that Connecticut has some of the largest achievement gaps in the nation between students from low- and high-income families. In reading, less than one in seven (13%) of Connecticut's low-income fourth grade students met the proficiency standard, compared with 53% of children from higher-income families.¹¹

An estimated 8,700 children in Connecticut's lowest-income school districts (Priority School Districts) are in need of a quality preschool program.¹²

The lack of quality early education can have a significant impact on children's readiness for school and their potential for lifelong educational and work success. In a survey of kindergarten teachers in low-income school districts in Connecticut:¹³

- 75% of children who did not attend preschool arrived at kindergarten lacking basic language and literacy skills such as being able to use complete sentences, to respond when spoken to, to identify their name in print, or to recognize the first ten letters of the alphabet;
- 70% of children who did not attend preschool were unable to perform basic math tasks such as recognizing numbers, counting to ten or drawing basic shapes; and
- 65% of the teachers identified specific health problems such as asthma, skin rashes, ringworm and lack of physical exams. Nearly one-fifth of the teachers observed children who come to school hungry, tired and unkempt.

ECONOMIC, WORKFORCE COSTS OF POVERTY

Lost future productivity from poverty: a half-trillion-dollar loss for the nation.

The costs to the United States associated with child poverty total about \$500 billion per year in foregone earnings and productivity, high crime rates and poor health associated with adults who grew up in poor households, according to a 2007 analysis by researchers from Georgetown University, the University of Chicago and Northwestern University. The nation could raise its overall consumption of goods and services and its quality of life by a half trillion dollars a year if childhood poverty were eliminated.¹⁴

Each year that a child spends in poverty results in a cost of \$11,800 in lost future productivity over his or her working life. The United States labor force will lose an estimated \$137 billion in future economic output for every year that more than 12 million poor children grow up to be less productive and effective workers.¹⁵

Since 85,530 (10.6%) of Connecticut's children live in poverty, the Connecticut labor force is projected to lose over \$1 billion in future productive capacity for every year that this number of Connecticut children live in poverty.¹⁶

Widespread illiteracy hurts business community

The inability of young people to read as they move into adulthood has a negative fiscal impact on businesses. In 2003, more than 240,000 adults in Connecticut – or 9 percent of those 16 and older – lacked even basic reading skills.¹⁷

Approximately 300,000 Greater Hartford area adults, or roughly 41% of the adult population, are functioning below the literacy level required to earn a living wage.¹⁸ Over \$60 billion nationally is lost in productivity each year by American businesses due to employees' lack of basic skills.¹⁹

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¹ Connecticut Child Poverty Council. (2005, Jan.) *Initial plan*. Hartford, CT: Connecticut Office of Policy and Management.

² Bishaw, A., & Semega, J. (2008, Aug.). *Income, Earnings, and Poverty Data From the 2007 American Community Survey*, 4. U.S. Census Bureau, American Community Survey Reports, ACS-08. Washington, DC: U.S. Government Printing Office. Online at <http://www.census.gov/prod/2007pubs/acs-08.pdf>.

³ U.S. Census Bureau, American Community Survey. Tables C17006 (2007) and B17006 (2007). Table B17006 (2004). Downloaded from www.census.gov (Jan. 9, 2009); DeNavas-Walt, C., Proctor, B.D., & Smith, J. (2008). *Income, Poverty, and Health Insurance Coverage in the United States: 2007*, 45. U.S. Census Bureau., Current Population Reports, P60-235. Washington, DC: U.S. Government Printing Office. Downloaded from <http://www.census.gov/prod/2008pubs/p60-235.pdf> (Jan. 9, 2009). The U.S. Census Bureau's American Community Survey (ACS) provides a larger sample size than the U.S. Census Bureau's Current Population Survey (CPS) (see U.S. Census Bureau. (2007, Aug. 28). *Differences between the Income and Poverty Estimates from the American Community Survey and the Annual Social and Economic Supplement to the Current Population Survey*, Washington, DC: U.S. Government Printing Office, online at: <http://www.census.gov/hhes/www/poverty/factsheet.html>).

⁴ U.S. Census Bureau, 2007 American Community Survey. Reported by Kids Count, Annie E. Casey Foundation. Downloaded from www.kidscount.org/datacenter/compare_results.jsp?i=220&yr=2007&va=&rt=3&s=a (Jan. 9, 2009).

⁵ Canny, P., Hall, D., & Geballe, S. (2002, Aug.). *Child and family poverty in Connecticut: 1990 and 2000*, 5. Data CONNECTIONS. New Haven: Connecticut Voices for Children.

⁶ *Poverty, income & health insurance in Connecticut: summary of 2007 U.S. census data*. (2008, Aug. 26). New Haven: Connecticut Voices for Children. Online at <http://www.ctkidslink.org/publications/2008censusreleaseandes.pdf>.

⁷ Hall, D.J., & Geballe, S. (2005, Sept.) *The state of working Connecticut, 2005*, VI-1. New Haven: Connecticut Voices for Children.

⁸ Hero, J., Hall, D.J., & Geballe, S. (2008, Aug.). *The state of working Connecticut, 2008: wage trends*, 15. New Haven: Connecticut Voices for Children. Online at http://www.ctkidslink.org/publications/2008SWCTWages_Full.pdf.

⁹ Hero, J., Hall, D.J., & Geballe, S. (2008, Aug.). *The state of working Connecticut, 2008: wage trends*, 3. New Haven: Connecticut Voices for Children. Online at http://www.ctkidslink.org/publications/2008SWCTWages_Full.pdf.

¹⁰ Connecticut Voices for Children. (2007, Jul.) *Connecticut's children: race and ethnicity matter*, 1. New Haven: Author. Online at <http://www.ctkidslink.org/publications/econ07raceethnicity.pdf>.

¹¹ U.S. Department of Education, National Center for Education Statistics. (2007.). *The nation's report card: reading 2007*. Washington, DC: Author. Online at <http://nces.ed.gov/nationsreportcard/pdf/stt2007/2007497CT4.pdf>.

¹² Connecticut State Board of Education. (2006, Mar.) *School readiness need and costs to serve all 3- and 4-year-old children in the 19 Priority School Districts*, 6. Hartford: Author. Online at http://www.sde.ct.gov/sde/lib/sde/PDF/DEPS/Readiness/SR_Report.pdf (Jan. 9, 2009).

¹³ Connecticut Commission on Children. (2004, Apr.). *Opening the kindergarten door*. Executive summary. Hartford: Author.

¹⁴ Holzer, H.J., Schanzenbach, D.W., Duncan, G.J., & Ludwig, J. (2007, Apr.). *The economic costs of poverty in the United States: subsequent effects of children growing up poor*. Madison, WI: Institute for Research on Poverty, Discussion Paper No. 1327-07.

¹⁵ Children's Defense Fund Action Council. (2004). *A nation and century defining time: where is America going?*, 36, 39. Washington, DC: Author; Sherman, A. (1997). *Poverty matters*, 15. Washington, DC: Children's Defense Fund.

¹⁶ Connecticut Commission on Children calculation based on CDF projection and U.S. Bureau of the Census data. 2007 figures for Connecticut population and percentage of children in poverty.

¹⁷ National Center for Education Statistics, cited by Hartford Courant (2009, Jan. 9). *240,000 adults in state said to lack basic reading skills*.

¹⁸ Greater Hartford Literacy Council. (2003). *Take action for literacy: the status of literacy in Greater Hartford*, 5. Hartford, CT: Author.

¹⁹ National Institute for Literacy. Cited in Greater Hartford Literacy Council, 6.