



State of Connecticut
GENERAL ASSEMBLY
Commission on Children



Recession Threatens Connecticut's Progress on Child Well-Being

June 16, 2009

Backdrop

The country's most severe recession in a generation has cost the nation more than five million jobs since it began in late 2007. It is also having a drastic impact on children. This month, the Child Well-Being Index was released in Washington, DC by the Foundation for Child Development and Duke University, joined by other foundations, Barbara Bowman from the U.S. Department of Education and staff from the White House.

The report warns that progress made in family economic well-being since 1975 risks being wiped out. Family income is declining and the housing crisis can disrupt social relationships for children. Homelessness is increasing. Children's health can suffer. The report predicts an increase in obesity and violent crime. Black and Latino children will be affected most by these changes as their communities are most sensitive to fluctuations in the economy.

The last three recessions saw increases in child poverty. In the 1980s, 3.5 million more children fell into poverty. In the current recession, it is estimated that between 2.6 and 3.3 million children will fall into poverty. The increase in child poverty will cost the U.S. taxpayer an estimated \$1.7 trillion dollars. Children who fall into poverty during a recession fare worse far into adulthood than their peers who avoided poverty.

The new environment tells us that more children are hungry, homeless, and more families are stressed:

- 45,000 (3.2%) people in Connecticut suffer from very low food insecurity at some point during the year (based on latest USDA figures).
- One out of five children, 102,000 youngsters, under the age of twelve, are hungry, or at risk of hunger.
- Working people make up 25% of those using emergency feeding programs (meal site or food pantry).

This is a clarion call for policymakers to do all they can to keep struggling families afloat. Poverty costs the state.

What smart investments are needed? In a Shared Recovery we need to:

- Act now so that we do not increase child poverty;
- Create jobs and open them to low income people;
- Make sure children have enough food;
- Prevent loss of medical care, heat and housing;
- Invest in child care, Head Start and education;
- Invest in the programs for children that show a proven return and Return on Investment (ROI); and
- Maximize federal opportunities and stimulus dollars in a coordinated strategy to meet the basic needs of children and families

Recession-induced poverty affects kids over their entire lives.

First Focus-Panel Study of Income Dynamics

Recession Impacts – The Need for A Shared Recovery

Family Economic Security: Helping Families and Youth Find Employment

Job losses in Connecticut have begun to escalate. The state unemployment rate increased by more than half in the past year – from 5.2% in April 2008 to 7.9% in April 2009. The number of unemployed persons increased by 52,400 from last year at this time.

Prominent economists agree that the best way to boost the economy is to assist low-income persons. They will spend the income they receive, whether it comes from earnings or from assistance.

The recession is hitting youths and young participants exceptionally hard, particularly in already distressed communities. According to the Center for Labor Studies at Northeastern University, fifty percent of the new unemployed are between the ages of 16 to 30 years of age. According to the National Youth Employment Coalition, the recession is ‘hitting’ youth 4 times as hard as adults. Labor participation rates for youths in urban communities for youths between the ages of 16-19 years-of-age are at 25 percent compared to 50 percent a decade ago. Youth employment is the lowest it has been since pre World War II.

Child Poverty

Poverty is increasing for children. Food stamps are correlated to poverty. Since the start of the recession, food stamp utilization has increased by 17 percent in the United States. Children in poverty are up to three times more likely to die during childhood. By the time they begin formal schooling, children in low-income families already lag significantly behind their more affluent peers – academically, socially and physically.

Children in poverty are more likely to have the following health problems:

low birth weight	bacterial meningitis
infectious diseases	obesity
asthma	missed immunizations
anemia	hunger/food insecurity
poor cognitive development	lead poisoning
stunted growth	

Connecticut low-income children are at least twice as likely as higher-income children to:

have a physical limitation	have a parent in poor health
be overweight	be at risk for speech delay
have emotional/behavioral difficulties	have a learning disability

Hunger/Food Insecurity

The U.S. Conference of Mayors identified three main causes of hunger: poverty, unemployment, and high housing costs. Food insecurity affects child development.

Hunger exists throughout Connecticut, in our cities, suburbs and rural communities. Connecticut Food Bank and Foodshare, the state's two food banks, provide food for over 350,000 different people annually.

Connecticut is bracing to serve as many as 33,000 youngsters in its summer lunch program at 443 locations statewide. Children who typically might not get food at least get one meal a day that is healthy.

Food stamps, unemployment insurance and helping states with Medicaid costs provide far more stimulus than across the board tax cuts. For every dollar spent on a temporary increase in SNAP (Food Stamps), the U.S. economy sees real Gross Domestic Product (GDP) boosted by \$1.73.

Mark Zandi of Moody's Economy.com.

Housing Shortage and Home Foreclosures & Homelessness

Over 76% of children in Connecticut live in families that pay more than 30% of their income on housing. The housing market's ongoing troubles heighten the potential for significant increases in homelessness. Home foreclosures have pushed many owner and renter families into the rental market, driving up rents in some areas by increasing the demand for housing — despite falling incomes and rising unemployment.

The fact that housing is too costly shows in the fact that 36% of sheltered adults in families are currently working. The harm that housing instability and homelessness can inflict on children is significant. Housing instability and homelessness lower academic performance, increase the chances of repeating a grade, and reduce high school completion rates.

In Connecticut, family homeless shelters turned away 30 percent more families due to lack of bed space in September 2008 than in September 2007.

- The housing market's ongoing troubles heighten the potential for significant increases in homelessness during this recession.
- An estimated 3,444 Connecticut households experienced homelessness on the night of January 30, 2008.

Connecticut's Infrastructure

Community Action Agencies have seen a statewide 40% increase in requests for energy assistance. Agencies have been inundated with utility turnoffs since the shut off moratorium ended. There has been a tremendous increase in requests for eviction prevention services and for food assistance. The United Way, which operates the 2-1-1 information line, reports a surge in the number of people who call because they don't have enough food in the house. The SNAP program -- Supplemental Nutrition Assistance Program -- is what used to be called Food Stamps. During the first quarter of this year 2-1-1 received more than 2,500 requests for SNAP, an increase of more than 40 percent over the previous quarter. Here are some other numbers:

2-1-1 Top Service Requests

Top 2-1-1 Service Requests – Statewide

	1st Qtr 2008	1st Qtr 2009	Percent Change
Utility Assistance	8,949	12,692	41.8%
General Info.	4,655	5,465	17.4%
Tax Prep. Assist.	3,838	4,482	16.8%
Food Pantries	2,853	3,976	39.4%
Homeless Shelter	3,016	3,239	7.4%
All Requests	113,148	117,797	4.1%

Rising Health Care Costs-Infant Mortality and Low Birthweight

Rising health care costs threaten the unwritten social contract that lies at the heart of the American democracy. In the past two years increasing rates of infant mortality and low birthweight infants, as well as decreasing rates of mothers receiving timely prenatal care during the first trimester, suggest that a positive trend may be reversing direction, erasing three decades of improvement. Low birth weight costs our state \$195 million per year in preventable hospitalizations.

Supporting Families

No state or agency can replace the family. The family functions with unparalleled skills providing love, learning, embedding values, creating a place for rest. Yet, families are increasingly stressed. Parents are juggling more than one job to make ends meet. More children are hungry or homeless – and family stability bears the brunt of this. Domestic abuse has increased. In the first two months of 2009, the Torrington police department reported a ten percent increase in domestic violence cases, compared to the same period last year.

Supporting families during this unstable time will be paramount to their functioning and guiding both children and youth. In fact, a major factor in preventing delinquency is having strong families and communities in place.

More than one-quarter (28%) of children in Connecticut have parents with no full time, year round employment. This is our working poor. Child care has been cut in eligibility and is only available for the working family. But many Connecticut parents have just lost their jobs. They need childcare during their employment search and job training.

Helping Children Thrive and Parents Work

Afterschool - When families and communities are weakened, it is harder to prevent youth from delinquent behaviors. Preventing delinquency is all about early intervention. Programs that provide support to parents, provide safe after school programs for youth, and allow schools to keep youth engaged are all critical. Within the juvenile justice system, programs need to be in place that focus on early intervention and diversion.

School Readiness - The early years are the launching pad for lifelong learning. A child's ego, self esteem and learning patterns are developing and linked together before kindergarten. Poor quality care or no early care is the starter fuel for inequities in educational achievement. Critical neurological development occurs in early childhood. The brain develops to 90% of its capacity in the first five years, unlike the body which takes 20 years to mature to its full size. What a three or four year old child does during the course of the day influences lifelong learning patterns.

Civic Life

Parent Leadership - Civic engagement is a key indicator of the health of a community. Families will increasingly be critical in this downturn to inform policy leaders what is and is not working for children as resources dwindle and priorities are shifted. Often in national crisis, children are forgotten. In the case of the recession, their downturn and losses will continue well past the recession recovery.