

**FOUNDATION FOR CHILD DEVELOPMENT EMPLOYMENT AND INCOME DISPARITIES REPORT
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Children's Experience with Parental Employment Insecurity and Family Income Inequality

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Overview

As Americans continue to struggle through the greatest economic downturn since the Great Depression, a new Index of Parental Employment Insecurity is required to capture more fully the nature and extent of employment insecurity than the current official monthly unemployment rate metric. This report develops such an index to analyze parental employment insecurity comprehensively, and presents additional analyses of changes in family income inequality. Results indicate that children in middle-income and lower-income families already were experiencing high rates of parental employment insecurity and income inequality prior to the Great Recession in 2008. The recession brought additional large increases in employment insecurity and income inequality for such families. By March 2015, middle-income and lower-income families still had not recovered to levels experienced in 2000, when median family income reached its historic peak.

It is important to assess the magnitude and changes in parental employment insecurity and family income inequality in order to illuminate the unstable and precarious economic reality of many middle-income and lower-income families as they experience unemployment, hidden unemployment, underemployment, and income declines.

Research from the Great Depression to the present shows that economic stresses associated with unstable parental work or income loss can be demoralizing for parents and lead to disruptions in daily living. These disruptions can result in family conflict and turmoil in family relationships, including a negative impact on parenting and, for children, diminished self-confidence, antisocial and hostile behavior, and lower educational attainments.ⁱ

Increasing family income inequality and associated family income losses for middle-income and lower-income families also are important because they limit parents' financial ability to invest in their children's development.ⁱⁱ Research indicates, for example, that increasing income inequality between 1994-1995 and 2006-2007 was associated with a decline in parental spending on children both in the number of dollars spent by families in the bottom 50% of the income distribution, and as a percentage of total income for families in the bottom 70% of the family income distribution.ⁱⁱⁱ Such spending can buy access to experiences and goods for children that build human and cultural capital. For example, higher-quality child care and early education, residence in neighborhoods with better schools, nutritious food, and health care, as well as books, newspapers, magazine subscriptions, dance and music activities, team and individual sports, swimming lessons, and other activities that foster emotional and cognitive development.^{iv}

Thus, insecure parental employment and falling incomes associated with increasing income inequality can have negative consequences for children's education, health, and for their social and economic outcomes later in life, because of diminishing access to foundational

resources, which, in turn, limits their upward mobility. Without public policies that effectively address these trends, the children of today may become a lost generation that experiences substantial downward social and economic mobility compared to their parents.

This report distinguishes children in five income groups ranging from the bottom 20% to the top 20% of the family income distribution in order to analyze differences among children in parental employment insecurity and family income inequality from 2000 through 2015.

Key findings are:

- During the seven years before the Great Recession, children in middle-income and lower-income groups experienced high rates of parental employment insecurity ranging from 20-40%, depending on income group.
- The Great Recession brought substantial increases in parental employment insecurity for more than six years among children in middle-income and lower-income families with rates ranging from 26-52%, depending on income group.
- Despite the end of the Great Recession, children in middle-income and lower-income families continue to experience high levels of parental employment insecurity ranging from 22-43%, depending on income group.
- Median family income was on the decline long before the Great Recession in 2008 after reaching a historic peak in 2000.
- Overall, during the 14 years from 2000-2014, median family income dropped substantially for children in middle-income and lower-income families while children in the highest-income families saw gains.
- Income inequality during the seven years preceding the Great Recession increased for children in middle-income and lower-income families compared to the highest-income families.
- The Great Recession brought additional large increases in income inequality, with median family income decreasing for children in middle-income and lower-income families while increasing for the highest-income families.

Introduction

As Americans continue to struggle through the greatest economic downturn since the Great Depression, this report documents the high levels of parental employment insecurity and family income inequality that children in middle-class and lower-income families are experiencing. Such factors can have a negative impact on children's well-being and undermine their prospects for success in school and for later economic success as adults.

This report focuses on the years from 2000, when family income reached its historic peak, through March 2015 to analyze children's experiences with trends in parental employment insecurity and family income inequality. Findings compare children in middle-income, lower-middle-income, and the lowest-income families to children in the highest-income families. Results were calculated from the Current Population Survey (CPS), which is conducted by the U.S. Census Bureau and the U.S. Bureau of Labor Statistics (see Appendix A).

A new Index of Parental Employment Insecurity that captures more fully the nature and extent of employment insecurity than the current official monthly unemployment rate metric is presented in this report. This more comprehensive indicator reflects the extent to which children experience a situation where a parent wanted to work or wanted more work during the preceding 15 months. The report also presents new results regarding income trends for children across the economic spectrum that portray the sharp increases in economic inequality which they have experienced since 2000.

Median family income was on its way down nearly a decade before the Great Recession.

The economic dislocations and declining income associated with the Great Recession have sparked widespread concern. However, children in middle-income families began experiencing stresses associated with declining income nearly a decade before the Great Recession began. For this reason, new results presented in this report analyze changes in parental employment insecurity and family income inequality for the period beginning in the year 2000.

To provide context for the analysis, the report briefly looks at income change beginning in 1980. The double-dip recession of 1980-1982 brought a decline in median family income for children in middle-income families. Yet, with the subsequent rebound, median family income for these children increased overall from \$58,940 in 1980 to the range of \$60,435-\$61,487 by the end of the decade from 1987-1989 (see Box 1, Figure 1, and Appendix Table B1).⁴ The next recession in 1990-1991 also brought an income decline, but with the subsequent rebound, median family income for children in middle-income families increased to reach its historic high of \$67,053 in 2000, eight years before the Great Recession.

The recession of 2001 then brought a substantial decline of \$3,078 as median income fell between 2000 and 2004 from \$67,053 to \$63,975. Following a slight rebound of only \$615 across the next three years, the Great Recession brought an additional large income decline beginning in 2008.

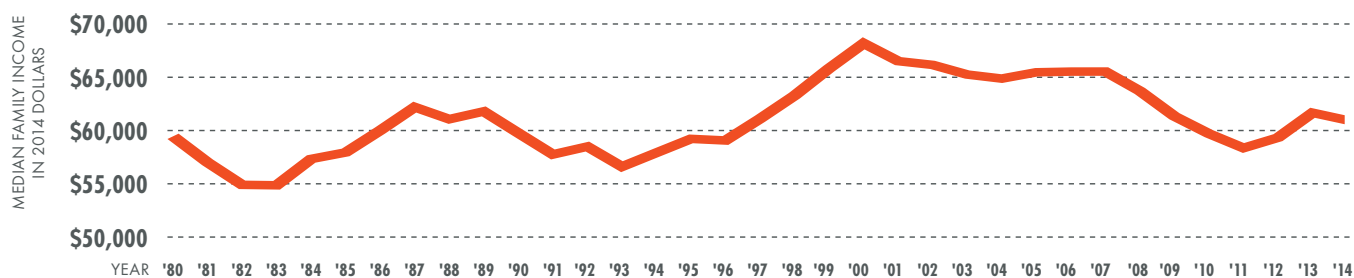
Despite some recent rebound, the majority of American families and children have suffered substantial losses. Median family income stood at \$60,346 in 2014, compared to \$67,053 15 years earlier in 2000, for an overall decline of \$6,707. By 2014, children's median family income was 10% below its value in 2000.

BOX 1. PEAKS AND LOW POINTS IN MEDIAN ANNUAL INCOME FOR CHILDREN IN MIDDLE-INCOME FAMILIES: 1983-2014

YEAR	MEDIAN INCOME	CHANGE	DOLLARS
1983	54,668	-	-
1987	61,487	1983-1987	6,819
1993	56,291	1987-1993	-5,196
2000	67,053	1993-2000	10,762
2004	63,975	2000-2004	-3,078
2007	64,590	2004-2007	615
2011	57,920	2007-2011	-6,670
2014	60,346	2011-2014	2,426

Note: Results calculated by Donald J. Hernandez and Jeffery S. Napierala. See Appendix A.

FIGURE 1. MEDIAN FAMILY INCOME FOR CHILDREN IN THE MIDDLE INCOME QUINTILE: 1980-2014



Linking parental employment insecurity to family income level provides a more accurate picture of the economic status of children’s families.

This report distinguishes children in five income groups, ranging from the bottom 20% to the top 20% of the family income distribution in order to analyze differences among children in parental employment insecurity and family income inequality (see Box 2).

As of 2014, the most recent year studied here, 21.1% of children were below the federal poverty threshold (\$23,850 for a family of four), and 42.9% had family incomes below 200% of the federal poverty threshold (\$47,700 for a family of four).^{vi} Thus, the lowest-income group in the bottom 20% of the family income distribution corresponds roughly to the population living in poverty, and the lower-middle-income group corresponds roughly to those above the poverty threshold but below 200% of the poverty threshold.^{vii}

BOX 2. INCOME RANGES IN 2014 FOR FIVE CHILDREN’S FAMILY INCOME GROUPS

INCOME GROUP	% OF CHILDREN	INCOME RANGE
Highest Income	20%	\$124,764+
Middle Class	60%	\$23,301-\$124,763
Upper-Middle Income	20%	\$77,632-\$124,763
Middle Income	20%	\$46,507-\$77,632
Lower-Middle Income	20%	\$23,301-\$46,506
Lowest Income	20%	\$0-\$23,300

Note: Results calculated by Donald J. Hernandez and Jeffery S. Napierala. See Appendix A.

The new index: parental employment insecurity

The official unemployment rate, the most commonly cited indicator of employment insecurity, is based on questions asked each month in the Current Population Survey (CPS). Individuals are classified as officially unemployed if they did not have a job at the time of the interview and they had looked for work during the past four weeks.^{viii} During March of each year, the CPS also collects additional information regarding those who did not find the employment they wanted over a much longer 15-month period. The March interview asks additional questions, regarding not only the previous month, but also the previous calendar year (see Appendix A).

The March interview questions make it possible to identify three additional sets of persons who experience employment insecurity. First are those who were unemployed during the previous calendar year. Second are those who experienced “hidden unemployment”; that is, they wanted and were available for work but had not searched for work because they believed that jobs were not available or that no jobs were available for which they would qualify.^{ix} The March interview asks about experience with hidden unemployment during the previous month, and also about experience with hidden unemployment during the previous calendar year. Persons experiencing hidden unemployment are sometimes referred to as “discouraged workers.”^x Third are those who experienced “underemployment”; that is, those who were employed part time but wanted full-time work.^{xi} The March interview asks about experience with underemployment during the previous month, and also about experience with underemployment the previous calendar year. Underemployment is sometimes referred to as “involuntary part-time employment.”^{xii}

We have created a new Index of Parental Employment Insecurity, which includes parents in any of these three categories (see Box 3). The indicator is calculated as the percentage of children with at least one parent in the home who experienced at least one of these situations during the past month or during the previous calendar year. This more comprehensive indicator reflects the extent to which children experience a situation where a parent wanted work or wanted more work during the preceding 15 months.

BOX 3. THREE DISTINCT STATES DEFINE PARENTAL EMPLOYMENT INSECURITY: UNEMPLOYMENT, HIDDEN UNEMPLOYMENT, AND UNDEREMPLOYMENT.

This index has three component indicators, each calculated for the past month and for the past calendar year. A child is classified as experiencing parental employment insecurity during the past 15 months, if at least one parent experienced unemployment, hidden unemployment, or underemployment.

► **Unemployment (Annual or Official Monthly):** A parent was not employed and was looking for work.

► **Hidden Unemployment (Annual or Official Monthly):** A parent wanted and was available for work, but was not looking for work, because the parent believed that jobs were not available or that jobs were not available for which the parent would qualify.

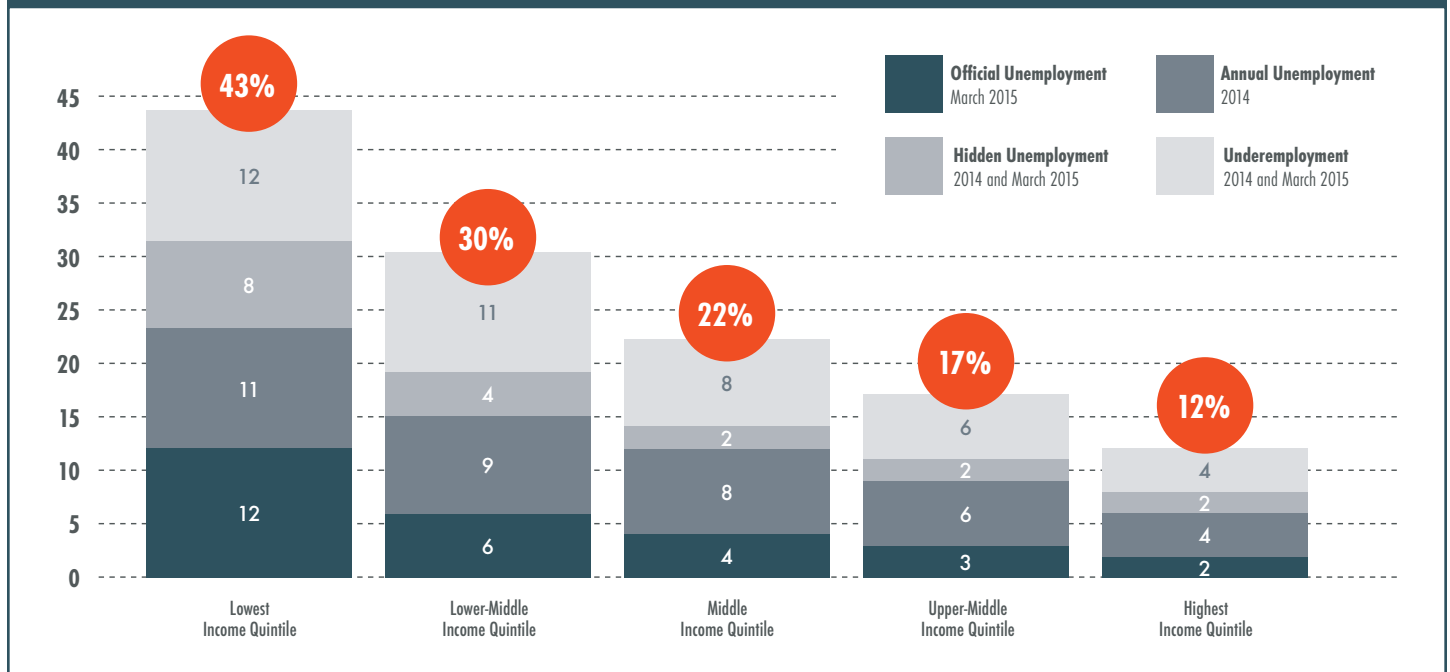
► **Underemployment (Annual or Official Monthly):** A parent worked part time but wanted a full-time job.

Note: See Appendix A for sources and detailed discussion.

The Index of Parental Income Insecurity tells a more complete story.

As seen in Figure 2, previously unrecognized pressures and employment instability in children’s households are visible in this summative index. In addition to the traditional reports of official parental unemployment during a specific month, we now see the impact on children whose parents are not counted as officially unemployed, but experienced unemployment during the past year or hidden unemployment during the past 15 months. Similarly, we now see those who experienced underemployment without unemployment or hidden unemployment. Each component measure of the index greatly understates the extent to which children recently have experienced parental employment insecurity. (See Appendix A for a detailed discussion of these concepts, the CPS interview questions, and results for children assessing parental experience with each of type of parental employment insecurity between January 2014 and March 2015.)

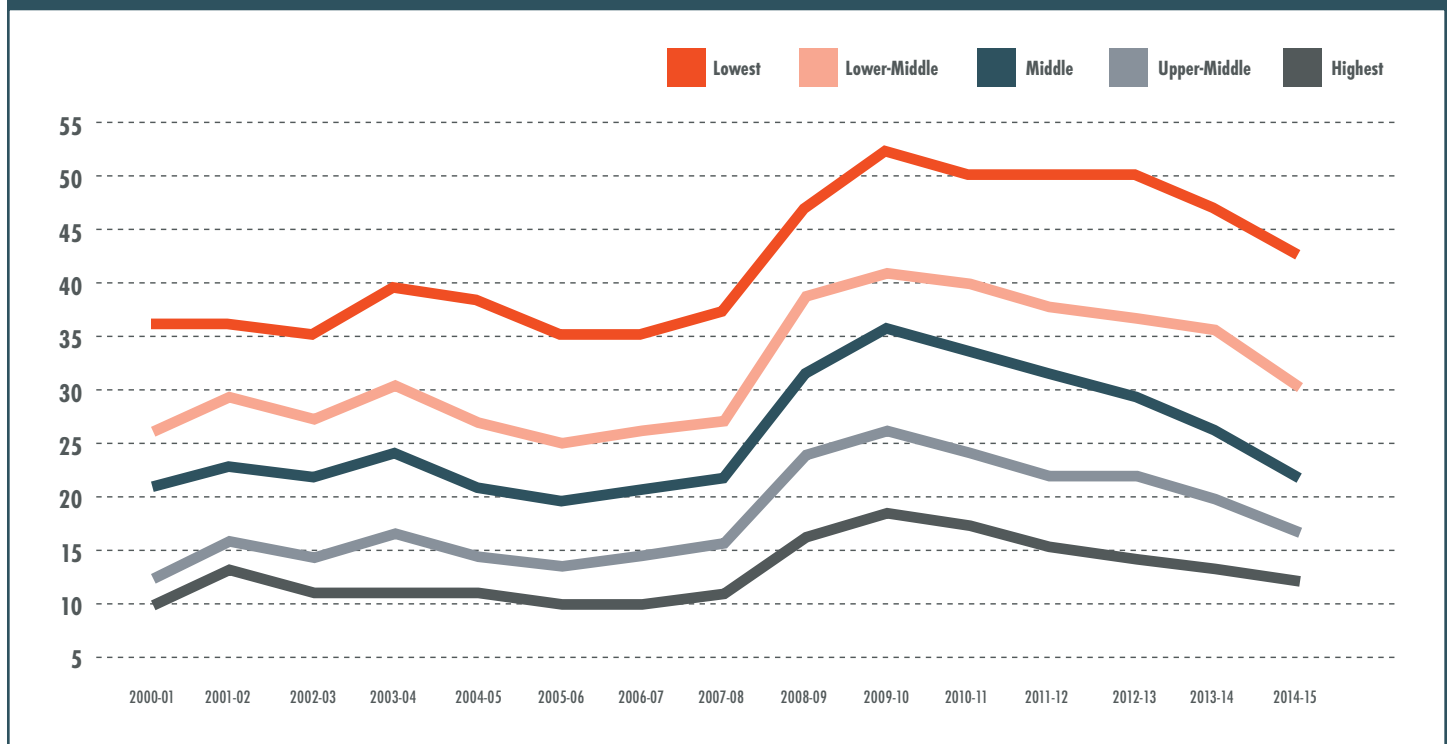
FIGURE 2. PERCENT OF CHILDREN WITH PARENTAL EMPLOYMENT INSECURITY, DISTINGUISHING OFFICIAL UNEMPLOYMENT, OTHER UNEMPLOYMENT, UNDEREMPLOYMENT FOR CHILDREN IN FIVE INCOME QUINTILE GROUPS



Children in middle-income and lower-income families experience extraordinary levels of parental employment insecurity.

For the past 15 years, large numbers of children throughout the lowest 60% of the family income distribution have experienced the stresses associated with having a least one parent in the home who wanted but did not have work, or who wanted more work than they could find. Children in the bottom 60% of the family income distribution were already experiencing high levels of parental employment insecurity during the seven years between January 2000 and March 2007 (see Figure 3 and Appendix Table B2). The rates for children in middle-income, lower-middle-income, and the lowest-income families, respectively, were 20-24%, 25-30%, and 36-40%.

FIGURE 3. LIMITED PARENTAL EMPLOYMENT OPPORTUNITIES: 15-MONTH PERIODS FROM 2000-MARCH 2001 TO 2014-MARCH 2015



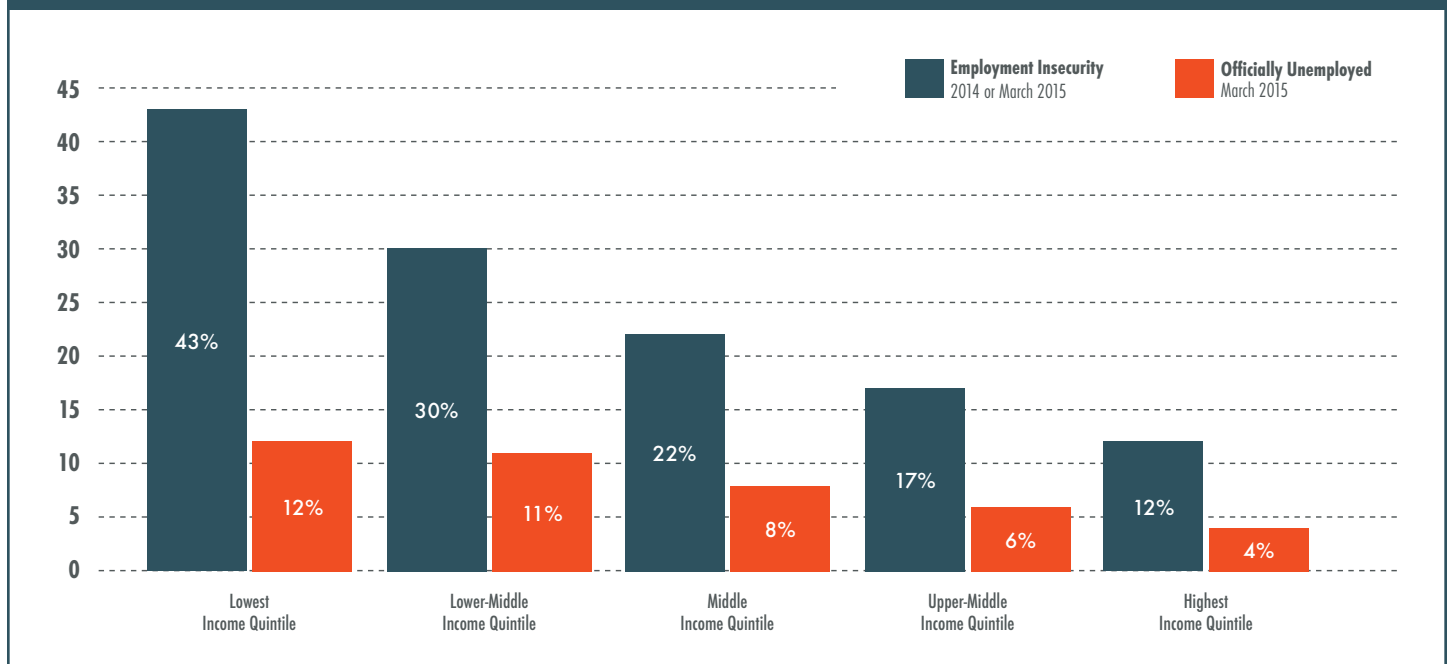
Over the six years spanning January 2008 through March 2014, these rates jumped for middle-income, lower-middle-income, and the lowest-income families, respectively, to 26-35%, 35-40%, and 47-52%. The next year brought declines for all three groups to levels that remained at or above the pre-Great Recession period at 22% for children in middle-income families, 30% for children in lower-middle-income families, and 43% for children in the lowest-income families.

Thus, the Great Recession only made a bad situation worse by bringing large increases in parental employment insecurity for each income quintile group in the bottom 60% of the family income distribution. Rates throughout the 15-year period were at least one-in-five for children in middle-income families, one-in-four for children in lower-middle-income families, and more than one-in-three for children in the lowest-income families.

By January 2014 through March 2015, the overall index rates of parental employment insecurity for the middle-income, lower-middle-income, and the lowest-income groups, respectively, remained quite high at 22%, 30%, and 43%. These rates are much higher than the percentage of children with a parent who was officially unemployed in March 2015, which were 4%, 6%, and 12%, respectively, for children in middle-income, lower-middle-income, and the lowest-income families (see Figure 4). Thus, these children are extremely more likely to experience at least one bout of parental employment insecurity across the 15-month period than is revealed by the official monthly unemployment measure.

Overall, the new Index of Parental Employment Insecurity indicates that economic stresses associated with parents not having work or not having as much work as they wanted have been widespread throughout the bottom 60% of the family income distribution since 2000.

FIGURE 4. PARENTAL EMPLOYMENT INSECURITY OR OFFICIAL UNEMPLOYMENT, FOR CHILDREN IN FIVE INCOME QUINTILE GROUPS



Children in middle-income and lower-income families experienced large income declines, and income inequality grew substantially, compared to children in the highest-income families.

Income inequality during the seven years preceding the Great Recession, between 2000 and 2007, increased for children in middle-income and lower-middle-income families compared to the highest-income families, because declines in median income were greater for the middle-income and lower-middle-income groups, at \$2,464 and \$3,308, respectively, than for the highest-income group at \$1,927. However, the gap narrowed between the lowest-income and highest-income groups, because the lowest-income group experienced a smaller median income decline of \$1,515 (see Appendix Table B3).

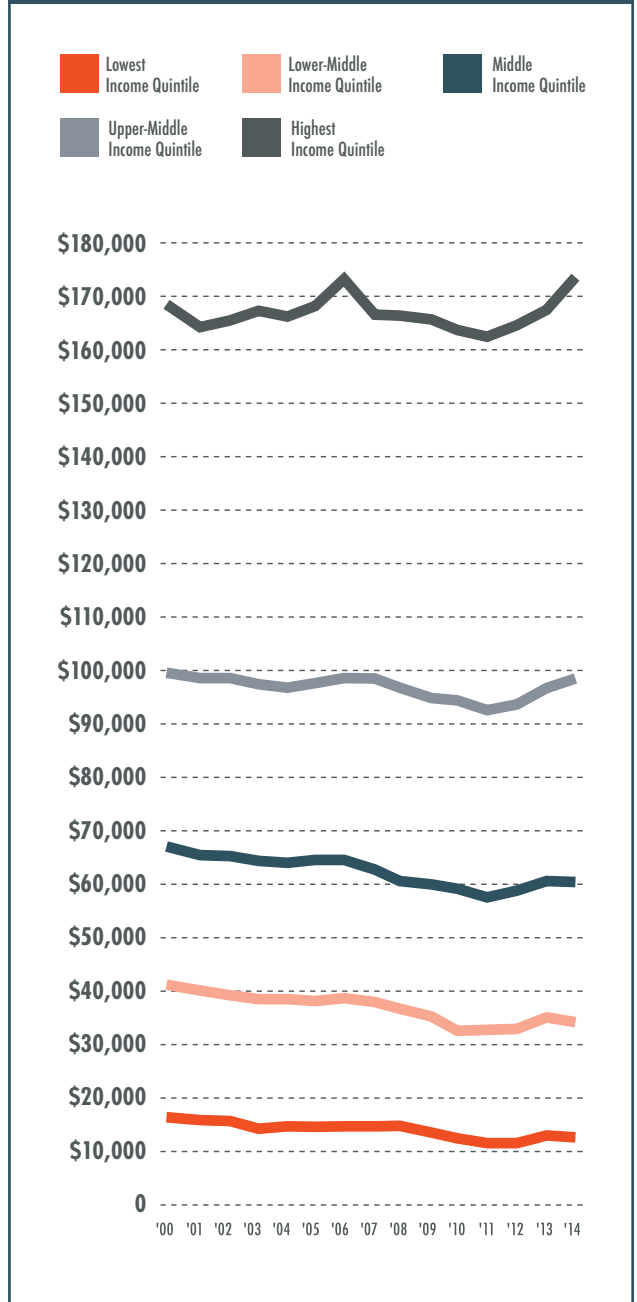
The Great Recession brought large increases in income inequality. During the seven years between 2007 and 2014, median family income for children dropped in middle-income families by \$4,244, in lower-middle-income families by \$3,735, and in the lowest-income families by \$3,564, while median family income increased for children in the highest-income families by \$6,878.

Overall, during the 14 years from 2000 to 2014, children in middle-income families experienced a decline in median family income of \$6,707, representing a 10% drop (see Figures 5 and 6, Appendix Table B3). Nearly four-tenths of this decline occurred between 2000 and 2007 before the Great Recession, and more than six-tenths occurred between 2007 and 2014.

The corresponding median income decline for children in lower-middle-income families of \$7,043—17%—was slightly larger than that experienced by the middle-income group, while the corresponding decline for children in the lowest-income families was \$3,654—22%. For both groups, little more than one-half of the income decline occurred before the Great Recession between 2000 and 2007, while a little less than one-half occurred during or after the Great Recession between 2007 and 2014.

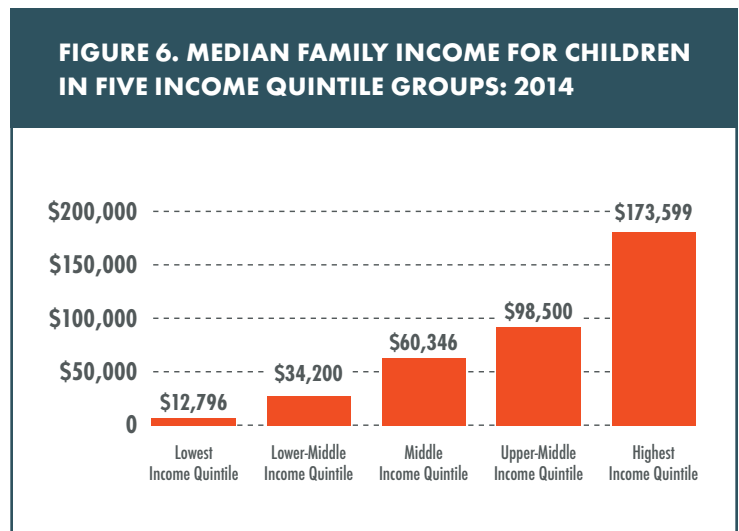
In contrast to these large income declines, the median family income of children in upper-middle-income families declined by only 1% (\$1,034), while the highest-income group experienced an increase of 3% (\$4,803).

FIGURE 5. MEDIAN FAMILY INCOME FOR CHILDREN IN FIVE INCOME QUINTILE GROUPS: 2000-2014



Thus, children in middle-income, lower-middle-income, and the lowest-income families have experienced large increases in income inequality compared to children in the highest-income families. Substantial declines in family income between 2000 and 2014 for children in the three lowest family income groups combined with a large increase for children in the highest-income group, led to substantial increases in income inequality. The sizes of the gaps separating the highest-income group from the middle-income, lower-middle-income, and the lowest-income groups, respectively, grew by \$11,510, \$11,846, and \$8,367.

As of 2014, the median family income for children in the highest-income group was \$173,599, compared to only \$60,346 for children in the middle-income group, \$34,200 for children in the lower-middle-income group, and \$12,796 for children in the lowest-income group (see Figure 6).



Median family income declines for children in the bottom 60% of the income distribution were equal to more than one-half the value of their families' median housing costs.

For children in middle-income, lower-middle-income, and the lowest-income families, declines in income from 2000 to 2014 represent a large portion of their available income. Thus, families of children throughout the bottom 60% of the income distribution are experiencing extremely serious challenges as they try to pay for their housing and other necessities.

The importance of income declines is illustrated by the median monthly cost of housing for families in each income group. The median monthly housing cost in 2013 for the middle-income group was about \$1,007 in 2013, for an annual cost of \$12,084.^{xiii} Thus, at the middle of the family income distribution for children, the income drop of \$6,707 is equivalent to about 56% of the amount spent for the median housing unit during the year.^{xiv}

The monthly housing cost for the lower-middle-income group was about \$768 in 2013, for an annual cost of \$9,216. Thus, for children in lower-middle-income families, the income drop of \$7,043 is equivalent to about 76% of the amount spent for housing during the year. Similarly, the monthly housing cost for the lowest-income group was about \$555, for an annual cost of \$6,660. Thus, for children in the lowest-income families, the income drop of \$3,654 is equivalent to about 55% of the amount spent on housing during the year.

Policies to increase children's annual family income could improve child outcomes and foster parental employment.

As indicated above, since 2000, high levels of parental employment insecurity, rising income inequality, and declines in family income have undermined upward mobility for children in middle-income and lower-income families. Public policies that increase family income could foster children's upward mobility by easing family stress and providing resources that parents could use for higher-quality child care and education, nutritious foods, health care, and other experiences and goods that build human and cultural capital. Such policies could also foster increased parental employment and earnings by providing resources for parents to purchase child care, which would increase the time parents have available for employment outside the home.^{xv}

Policies that determine eligibility and benefit levels for all families on an annual cycle based on their annual income may be best suited to addressing the large, long-term income declines that have occurred since 2000. Implementing simple adjustments in such policies could offset these income declines. This report focuses on three major policies embedded in the federal tax code that currently provide substantial economic resources to many families on an annual cycle based on their annual income: (1) the Personal Exemption for Dependent Children, (2) the Child Tax Credit, and (3) the Earned Income Tax Credit.^{xvi}

For each we discuss the extent to which changes since 2000 in the value of the benefit have, or have not, acted to offset the income declines experienced by children in middle-class and lower-income families (see Appendix C for detailed discussion of each policy). The report then discusses changes in one of these policies, the Earned Income Tax Credit, that could offset most or all of the income declines experienced since 2000 by children in middle-income, lower-middle-income, and the lowest-income families.

► The **Personal Exemption for Dependent Children**, which had a value of \$3,950 in 2014, is the amount that parents can deduct from their income on the federal tax form for each dependent child in the home. By reducing the dollar value of family income on the tax form, this deduction yields a reduction in taxes owed to the federal government that is equal to the size of the income deduction multiplied by the marginal (highest) tax rate paid by the family. Thus, the maximum value of the tax reduction for middle-income families experiencing a marginal tax rate of 25% was \$988.^{xvii}

Yet, the dollar value of the personal exemption in 2014 dollars was unchanged between 2000 and 2014, and the marginal tax rates remained stable.^{xviii} This lack of change implies that between 2000 and 2014 the tax-reducing value of the personal exemption did not change and, consequently, did not act to offset the large income declines experienced by children in middle-income, lower-middle-income, and the lowest-income families.

► The **Child Tax Credit** (CTC) benefits a very large number of families with children, about 38 million families in 2013 by as much as \$1,000 per child.^{xix} The CTC was enacted in 1997 and with bipartisan support was expanded beginning in 2001, and again through the American Recovery and Reinvestment Act of 2009 to become permanent as of 2015.^{xx} The CTC benefits families in the lowest and middle-three income quintiles (see Appendix C).

Overall, changes in the CTC between 2000 and 2014 acted to offset a portion of the income decline experienced by the three lowest quintiles of the family income distribution, but the largest offsetting effect for fully-eligible families was only \$290 per child, while the largest effect for the small number of families shifting from ineligible to fully eligible was \$1,000 per child. Thus, the offsetting effect of the enhanced value of the CTC was important for families, particularly low-income families who experienced the full increase, but this was a comparatively small proportion of middle-income and lower-income families.

► The **Earned Income Tax Credit** (EITC) is one of the largest programs providing economic resources to low-income and middle-income families. The number of families with children receiving EITC benefits was 21 million in 2011, and the average (mean) credit was \$3,057 (inflation-adjusted 2014 dollars).^{xxi}

The dollar values of the EITC benefit and corresponding income categories are adjusted for inflation each year, and only minor additional changes were incorporated in the policy for families with children between 2000 and 2014. Thus, in any given year, the EITC provides substantial additional economic resources to families receiving the benefit, but since the value of benefits did not change between 2000 and 2014, the EITC did not act to offset the large income declines experienced by children in middle-income, lower-middle-income, or the lowest-income families.

In sum, the three federal tax policies discussed here provide significant economic resources to many middle-income and lower-income families. Yet, because there were few changes in eligibility rules or benefit levels between 2000 and 2014, these programs did little to offset the large income declines that children in middle-class and lower-income families have experienced since 2000.

Changes in both the eligibility rules and benefit levels for one or all of these programs could be made to partially or fully offset the 2000-2014 income declines and, thereby, to sharply reduce the associated economic stresses and consequences for family relationships and children's outcomes. This might be accomplished most easily by expanding EITC eligibility to include middle-income families earning as much \$75,000 per year, and by raising the benefit level by amounts large enough to offset much of the 2000-2014 income declines, that is, by \$3,500 for the lowest-income families and about \$7,000 for lower-middle-income and middle-income families. Such a change in raising benefit levels for the EITC could offset the 2000-2014 income declines identified in this report.

Conclusion

The new Index of Parental Employment Insecurity captures labor conditions and experiences more fully than the official monthly unemployment measure. It provides a new lens with which to look at employment in the United States and its effects on the social mobility of families. New results for the index, for income inequality, and regarding income declines since 2000 show trends that have negative consequences for children's education and health, and for their future economic productivity as adults.

Such trends have revealed that median family income was on the decline, family income inequality was on the rise, and children experienced high rates of parental employment insecurity long before the Great Recession in 2008. The recession only served to further increase such disparities. These results matter as such circumstances have an impact on the well-being of children and their families as parents try to regain employment security.

Public policies that allow parents to increase investments in their children and foster increased parental work can change these trends. Three federal tax policies that provide significant economic resources to many middle-income and lower-income families experienced few changes in eligibility rules or benefit levels between 2000 and 2014. Thus, these programs did little to offset the large income declines that children in middle-class and lower-income families have experienced since 2000. Simply making changes in both eligibility rules and benefit levels for one or all of these programs could offset income declines and, thereby, sharply reduce the associated economic stresses and consequences for family relationships and child outcomes. A public policy purpose of helping parents to regain employment and income security and to provide renewed opportunities for children makes sense—especially as families work towards providing their children with the opportunity to achieve the American Dream.

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Appendix A. Sources and technical information

► Box 1 and Box 2

Results for specific income groups calculated by Donald J. Hernandez and Jeffrey S. Napierala from CPS for March 1984-2015 with data obtained from Flood, et al. (2015).

► Income and Housing Costs, Dollar Values: Adjusting for Inflation

To measure income values across time that reflect real purchasing power and to present housing costs consistent with income data, all results in this report are adjusted for inflation using the Consumer Price Index (CPI) and presented as 2014 dollar values (U.S. Bureau of Labor Statistics, 2015b).

► Income Quintiles

The March Current Population Survey (CPS) and its Annual Social and Economic Supplement (ACES) collect very detailed income data that provide the basis for precisely calculating family income quintile values for children which are used in this report to assign each child to a specific family-income quintile group. The authors calculated these results for income quintiles from March CPS data provided by Flood, et al. (2015). The most recent data analyzed for this report were collected in March 2015 for annual income in calendar year 2014. March CPS data provide the basis for the analyses of income change and the Index of Parental Employment Insecurity.

► Index of Parental Employment Insecurity: The Three Distinct States of Unemployment, Hidden Unemployment, and Underemployment

The new Index of Parent Employment Insecurity provides a more comprehensive picture of employment insecurity than is reflected in the official monthly unemployment rate by incorporating both monthly and annual unemployment, hidden unemployment, and underemployment into a single statistical indicator. This more comprehensive indicator reflects the extent to which children experience a situation where a parent wanted to work or wanted more work during the preceding 15 months, combining six conceptual components measured at two points in time (see below).

The official unemployment rate identifies as employment-insecure only those persons who did not work and looked for work during the preceding month. But there are additional persons who were employment-insecure because (1) they experienced unemployment during the preceding year, that is, they were not working and they looked for work, (2) they experienced hidden unemployment during the preceding month or year, that is, they wanted work but did not look for work because they believed there were no jobs available for which they were qualified, or (3) they experienced underemployment during the preceding month or year, that is, they worked part time but wanted full-time work.

Over the course of a specific 15-month period, some individuals can experience more than one of these states of employment insecurity. To measure the summative impact of including monthly and annual unemployment, hidden unemployment, and underemployment in the Index of Parental Employment Insecurity, and to avoid double-counting for children with parents who experienced more than one state of employment insecurity, results in Figure 3 and Table A1, are calculated as follows.

TABLE A1. PERCENT OF CHILDREN WITH PARENT OFFICIALLY UNEMPLOYED, HIDDEN UNEMPLOYED, OR UNDEREMPLOYED, BY CHILDREN'S FAMILY INCOME QUINTILE: 2014 AND MARCH 2015

PARENT EMPLOYMENT SITUATION	LOWEST INCOME QUINTILE	LOWER-MIDDLE INCOME QUINTILE	MIDDLE INCOME QUINTILE	UPPER-MIDDLE INCOME QUINTILE	HIGHEST INCOME QUINTILE
Officially Unemployed, March 2015	12	6	4	3	2
Officially Unemployed, March 2015, or Unemployed, 2014	23	15	12	9	6
Officially Unemployed March 2015, Unemployed 2014, or Hidden Unemployed, 2014 or March 2015	31	19	14	11	8
Officially Unemployed, March 2015, Unemployed, 2014, Hidden Unemployed, 2014 or March 2015, or Underemployed, 2014 or March 2015	43	30	22	17	12

First, the percentage of children with at least one parent officially unemployed in March 2015 is presented. Second, the percentage of children with at least one parent officially unemployed in March 2015 or unemployed during 2014 is presented to indicate how many children experienced at least one bout of parental unemployment across the 15-month period. The results show for children in the middle-income group, for example, that 4% had an officially unemployed parent in March 2015, but this tripled to 12% with a parent who was unemployed at least once during the 15-month period spanning 2014 and March 2015. Thus, the results for the longer period indicate that a much larger number of children experienced parental unemployment over 15 months than is revealed by the official monthly unemployment measure.

Third, the percentage of children with at least one unemployed parent or one parent experiencing hidden unemployment during 2014 or March 2015 is presented. The results indicate for children in the middle-income group that 14% had a parent experience at least one bout of unemployment, as traditionally measured or as hidden unemployment, a figure 3.5 times greater than the rate of parental employment insecurity of 4% based only on the official unemployment measure. Similarly, 31% of children in the lowest-income group had a parent experiencing at least one bout of unemployment, as traditionally measured or as hidden unemployment, a rate 2.6 times greater than the rate of parental employment insecurity of 12% based only on the official unemployment measure.

Finally, the percentage of children with at least one parent experiencing at least one bout of unemployment, as traditionally measured or as hidden unemployment, or experiencing a bout of underemployment during 2014 or March 2015 is presented. This is the full-blown Index of Parental Employment Insecurity. The results indicate that children in the middle-income group are 5.5 times more likely to experience at least one of these three types of parental employment insecurity over the 15-month period than is indicated by the official monthly unemployment measure, at 22% vs. 4%. Similarly, children in the lowest-income group are 3.6 times more likely to experience at least one of these types of parental employment insecurity over the 15-month period than is indicated by the official monthly unemployment measure, at 43% versus 12%.

These comparisons demonstrate children are enormously more likely to experience at least one bout of parental employment insecurity than is revealed by the official monthly unemployment measure.

► **Index of Parental Employment Insecurity: Six Conceptual Components**

The new Index of Parental Employment Insecurity is based on six specific employment concepts using data collected in the Annual Social and Economic Supplement (ACES) of the March Current Population Survey (CPS). The most recent data analyzed for this report were collected in March 2015. The index is calculated as the percent of children with at least one parent who, as indicated below, was classified as unemployed, as hidden unemployed, or as underemployed. March CPS data used by the authors to calculate these results were obtained from Flood, et al. (2015).

The first concept is official unemployment as of March, which classifies persons as unemployed if they were not employed at the time of the March interview and they had been looking for work during the past four weeks. The authors used the EMPSTAT variable to identify parents as officially unemployed in March.

The second concept is hidden unemployment as of March, which classifies persons as hidden unemployed if they were not employed at the time of the March interview and had not looked for work during the past four weeks but did want a job. The authors used the WANTJOB variable to identify parents as hidden unemployed in March.

The third concept is underemployment as of March, which classifies persons as underemployed if they are working part time but want a full-time job. The authors used the variable WHYPTLW to identify parents as underemployed if they reported working part time because they could only find part-time work or they worked part time because of slack work or business conditions.

The fourth concept is unemployment during a calendar year, which classifies persons as unemployed, if they report looking for work or being on layoff for at least one week during the preceding calendar year. The authors used the WKSUNEM1 variable to identify parents as unemployed during a calendar year.

The fifth concept is hidden unemployment during a calendar year, which classifies persons as hidden unemployed, if they looked for work (and were not employed or on layoff) for at least one week during the preceding calendar year. The authors used the NWLOOKWK variable to identify parents as hidden unemployed during a calendar year.

The sixth concept is underemployment during a calendar year, which classifies persons as underemployed, if they are working part time but want a full-time job. The authors used the variable WHYPTLY to identify parents as underemployed if they reported working part time because they could not find a full-time job or because of slack work during a calendar year.

► Parental Employment Insecurity: Empirical Results for Six Components and the Index

The most recent data analyzed for this report indicate that sometimes substantial numbers of children had parents who experienced each of these six specific types of parental employment insecurity (see Figure 3 and Table A2). The rates for children in middle-income, lower-middle-income and the lowest-income families with at least one parent officially unemployed were 4%, 6%, and 12%, respectively, in March 2015. The rates of having at least one officially unemployed parent during the preceding calendar year in 2014 were 5-6 percentage points higher, at 9%, 11%, and 16%, respectively, for children in middle-income, lower-middle-income, and the lowest-income families.

TABLE A2. PERCENT OF CHILDREN WITH PARENT OFFICIALLY UNEMPLOYED, HIDDEN UNEMPLOYED, OR UNDEREMPLOYED, BY CHILDREN'S FAMILY INCOME QUINTILE: 2014 AND MARCH 2015

PARENT EMPLOYMENT SITUATION	LOWEST INCOME QUINTILE	LOWER-MIDDLE INCOME QUINTILE	MIDDLE INCOME QUINTILE	UPPER-MIDDLE INCOME QUINTILE	HIGHEST INCOME QUINTILE
Unemployed, 2014	16	11	9	7	5
Officially Unemployed, March 2015	12	6	4	3	2
Unemployed, 2014, or Officially Unemployed, March 2015	23	15	12	9	6
Hidden Unemployed, 2014	5	2	2	1	1
Hidden Unemployed, March 2015	8	4	3	2	1
Hidden Unemployed, 2014 or March 2015	12	6	4	3	2
Underemployed, 2014	17	14	9	7	4
Underemployed, March 2015	8	6	4	3	2
Underemployed, 2014 or March 2015	20	17	11	8	5

Although some children had both an annually unemployed parent in 2014 and an officially unemployed parent in March 2015, most did not and the percentage of children having an unemployed parent in either 2014 or March 2015 was much higher than during either specific time period, at 12%, 15%, and 23%, respectively, for children in middle-income, lower-middle-income, and the lowest-income families. These results indicate that children in the bottom 60% of the family income distribution were about twice as likely, or more than twice as likely, to experience parental unemployment over the course of 15 months than they were in the single month of March 2015. Thus, the combined measure provides a more comprehensive, and more troubling, perspective on the extent to which children experience parental employment insecurity.

Hidden parental unemployment rates were lower than official or annual parental unemployment rates for specific income groups, but they are nevertheless noteworthy. For children middle-income, lower-middle-income, and the lowest-income families the hidden parental unemployment rates were, respectively, 2%, 2%, and 5% in 2014, and 3%, 4%, and 8% in March 2015. Taken together, the percentage of children in each income group who experienced hidden parental unemployment in either 2014 or March 2015 was substantial, at the same level (rounded to full percentage points) as the rate of official parental unemployment in March 2015.

Children in middle-income, lower-middle-income, and the lowest-income families in 2014 were about as likely to have a parent experiencing underemployment as they were to have a parent experiencing annual unemployment in 2014, at 9%, 14%, and 17%, respectively. Similarly, children in middle-income, lower-middle-income, and the lowest-income families in March 2015 were about as likely to have a parent experiencing underemployment as they were to have a parent experiencing official unemployment in March 2015, at 4%, 6%, and 8%, respectively. Taken together, the rates of experiencing underemployment in either 2014 or March 2015 were also similar to the rates of experiencing either annual parental unemployment in 2014 or official unemployment between March 2015 at 11%, 17%, and 20%, respectively, for children in middle-income, lower-middle-income, and the lowest-income families.

These results show that children in the bottom 60% of the family income distribution were quite likely to experience at least one of six types of parental employment insecurity during the most recent 15-month period, and thus indicate that any single measure, including the official monthly unemployment measure, grossly understate the extent to which children have recently experienced parental employment insecurity. The results for the new Index of Parental Employment Insecurity discussed in the text of this report document that very large numbers of children in the bottom 60% of the family income distribution have been, and continue to exist, in families where at least one parent is unable to find the work they want as they seek to support their children and families (see also Appendix B, Table 3).

► Housing Costs

Housing costs were calculated with data from the 2013 American Housing Survey conducted by the U.S. Census Bureau (U.S. Census Bureau, 2015). Housing costs were reported in broad categories. The housing cost for the lowest-income group was calculated as the mean housing cost for households with incomes of less than \$10,000 and with incomes of \$10,000 to \$19,000. The housing cost for the lower-middle-income group was calculated as the mean housing cost for households with incomes of \$20,000 to \$29,999, with incomes of \$30,000 to \$39,999, and with incomes of \$40,000 to \$49,999. The housing cost for the middle-income group was calculated as the mean housing cost for households with incomes of \$50,000 to \$59,000 and with incomes of \$60,000 to \$79,000. The most recent available data from the American Housing Survey were collected for 2013.

Appendix B. Detailed tables

TABLE B1. MEDIAN FAMILY INCOME FOR CHILDREN IN THE MIDDLE INCOME QUINTILE AND NUMBER OF RECESSIONARY MONTHS: 1980-2014

YEAR (Months of Economic Contraction)	ANNUAL INCOME	YEAR (Months of Economic Contraction)	ANNUAL INCOME
1980(6)	58,940	1998	62,495
1981(5)	56,668	1999	64,862
1982 (11)	54,707	2000	67,053
1983	54,668	2001 (8)	65,500
1984	56,963	2002	65,170
1985	57,534	2003	64,330
1986	59,454	2004	63,975
1987	61,487	2005	64,526
1988	60,435	2006	64,586
1989	61,112	2007	64,590
1990 (5)	59,226	2008 (12)	62,894
1991 (3)	57,359	2009 (6)	60,691
1992	58,045	2010	59,169
1993	56,291	2011	57,920
1994	57,507	2012	58,826
1995	58,718	2013	60,994
1996	58,576	2014	60,346
1997	60,475		

TABLE B2. PERCENT WITH PARENTAL EMPLOYMENT INSECURITY, FOR CHILDREN IN FIVE INCOME QUINTILE GROUPS: 15-MONTH PERIODS JANUARY 2000 TO MARCH 2015

15-MONTH PERIOD: JANUARY TO MARCH	LOWEST INCOME QUINTILE	LOWER-MIDDLE INCOME QUINTILE	MIDDLE INCOME QUINTILE	UPPER-MIDDLE INCOME QUINTILE	HIGHEST INCOME QUINTILE
2000 to 2001	37	26	21	13	10
2001 to 2002	37	29	23	16	13
2002 to 2003	36	27	22	15	11
2003 to 2004	40	30	24	17	11
2004 to 2005	39	27	21	15	11
2005 to 2006	36	25	20	14	10
2006 to 2007	36	26	21	15	10
2007 to 2008	38	27	22	16	11
2008 to 2009	47	38	31	24	16
2009 to 2010	52	40	35	26	18
2010 to 2011	50	39	33	24	17
2011 to 2012	50	37	31	22	15
2012 to 2013	50	36	29	22	14
2013 to 2014	47	35	26	20	13
2014 to 2015	43	30	22	17	12

TABLE B3. MEDIAN FAMILY INCOME, FOR CHILDREN IN FIVE INCOME QUINTILE GROUPS IN 2014 DOLLARS: 2000 TO 2014

YEAR	LOWEST INCOME QUINTILE	LOWER-MIDDLE INCOME QUINTILE	MIDDLE INCOME QUINTILE	UPPER-MIDDLE INCOME QUINTILE	HIGHEST INCOME QUINTILE
2000	16,360	41,243	67,053	99,534	168,796
2001	15,929	40,102	65,500	98,758	164,151
2002	15,886	39,215	65,170	98,695	165,676
2003	14,472	38,431	64,330	97,437	167,114
2004	14,925	38,169	63,975	96,908	166,054
2005	14,546	38,062	64,526	97,640	168,126
2006	14,877	38,845	64,586	98,775	173,117
2007	14,843	37,935	64,590	98,649	166,869
2008	13,463	36,835	62,894	96,953	166,142
2009	12,668	35,135	60,691	94,944	165,700
2010	11,725	32,592	59,169	94,129	163,889
2011	11,700	32,917	57,920	92,615	162,247
2012	12,250	32,995	58,826	93,625	164,977
2013	13,008	35,060	60,994	96,795	167,677
2014	12,796	34,200	60,346	98,500	173,599

Appendix C. Three public policies that increase children's annual family income

The **Personal Exemption for Dependent Children**, which had a value of \$3,950 in 2014, is the amount that parents can deduct from their income on the federal tax form for each dependent child in the home. By reducing the dollar value of family income on the tax form, this deduction yields a reduction in taxes owed to the federal government that is equal to the size of the income deduction multiplied by the marginal (highest) tax rate for the family. Thus, an income deduction of \$3,950 for a family with a marginal tax rate of 25% yields a reduction of \$987.50 in the amount of federal taxes to be paid.

In 2014 the marginal tax rate for married-couple families was 10% if their income was \$0-\$18,150, and 15% if their income was \$18,151-\$73,800. For single-parent families the rate was 10% if their income was \$0-\$9,075, 15% if their income was \$9,076-\$36,900, and 25% if their income was \$36,901-\$89,350.^{xxii}

Thus, the largest reduction in federal taxes paid by families of children in middle-income, lower-middle-income, and the lowest-income families was received by one-parent families with a marginal tax rate of 25%, that is, \$987.50 for each child in the family. The corresponding value in reduced taxes was smaller at \$592.50 for families in the 15% tax bracket, and \$395.50 for families in the 10% tax bracket. These dollar values represent significant reductions in federal tax payments for middle-class and lower-income families with children, and hence result in significant increases in disposable income, that is, the income available to spend or save after taxes have been paid.

But the dollar value of the personal exemption in 2014 dollars was unchanged between 2000 and 2014, and the marginal tax rates remained stable.^{xxiii} This lack of change implies that between 2000 and 2014 the tax-reducing value of the personal exemption did not change and, consequently, did not act to offset the large income declines experienced by children in middle-income, lower-middle-income, or the lowest-income families.

The **Child Tax Credit (CTC)** benefits a very large number of families with children, at about 38 million families in 2013.^{xxiv} The CTC was enacted in 1997 and, with bipartisan support, has expanded since 2001.^{xxv} The CTC lifted about 1.7 million children out of poverty in 2013, and lessened poverty for an additional 6.8 million children.^{xxvi} But the CTC also benefits the middle class. In 2013, families in the lowest income quintile received 13% of the benefits, while the middle-three income quintiles received a little over 75% of the benefits.^{xxvii}

For families eligible for the full CTC benefit, the dollar value can be worth more than the personal exemption, at \$1,000 per child in reduced tax payments in 2014. But the \$1,000 value of this benefit has not been changed since 2001, and thus the real, inflation-adjusted value has declined from about \$1,337 per child in 2001 to \$1,000 in 2014. The value was, however, increased the year earlier in inflation-adjusted dollars from \$710 in 2000 to \$1337 in 2001.^{xxviii} Other changes also made the credit partially or fully refundable for additional families, unlike the personal exemption, which is not a refundable tax credit, which was especially important for families in the lowest income quintile, whose share of total benefits increased from 1% in 2001 to 13% in 2013.^{xxix}

Overall, then, changes in the CTC between 2000 and 2014 acted to offset a portion of the income decline experienced by the three lowest quintiles of the family income distribution, but the largest offsetting effect for fully eligible families was only \$290 per child, while the largest effect for the small number of families shifting from ineligible to fully eligible was \$1,000 per child. Thus, the offsetting effect of the enhanced value of the CTC was important for families, particularly low-income families who experienced the full increase, but this was a comparatively small proportion of middle-income and lower-income families.

The **Earned Income Tax Credit (EITC)** is one of the largest programs that reduces poverty in the U.S. The EITC benefits in 2011, for example, lifted 3.1 million children above the poverty line.^{xxx} The number of families with children receiving EITC benefits was 21 million in 2011, and the average (mean) credit was \$3,057 (inflation-adjusted 2014 dollars).^{xxxi}

The value of the average credit was \$2,314 for families with one child, \$3,651 for families with two children, and \$3,947 for families with three or more children.^{xxxii} Families in the bottom quintile of the children's family income distribution accounted for about one-third of all families benefiting from the EITC (35.4% with incomes less than \$21,049), while about two-thirds were in the second quintile (63.7% with incomes \$21,050 to less than \$47,460).^{xxxiii} Thus, families with the lowest incomes were less likely to be eligible for EITC benefits than families with lower-middle incomes.

In addition, benefits differ greatly by earned income level.^{xxxiv} For example, the maximum benefit in 2014 was \$5,460 for one-parent families with incomes in the range of \$13,650 to \$17,850, and for two-parent families with incomes in the range of \$17,850 to \$23,300. Benefits were smaller at lower income levels and at higher income levels. For example, the benefit for families with two children and an earned income of \$7,000 was \$2,810, while the benefit for families with two children and an earned income of \$35,000 was \$1,849 for a one-parent family and \$2,993 for a two-parent family. The corresponding benefits fell to less than \$1,000 for one-parent families earning more than \$39,000 and for two-parent families earning more than \$44,450.

Because EITC benefits are provided as a refundable tax credit, eligible families receive the full value of the benefit as a reduction in taxes paid or as a cash refund (or partly as tax reduction and partly as cash refund). The dollar values of the EITC benefit and corresponding income categories are adjusted for inflation each year, and only minor additional changes were incorporated in the policy for families with children between 2000 and 2014. Thus, in any given year, the EITC provides substantial additional economic resources to families receiving the benefit, but since the value of benefits did not change between 2000 and 2014, the EITC did not act to offset the large income declines experienced by children in middle-income, lower-middle-income, or the lowest-income families.

In sum, the three federal tax policies discussed here each provide significant economic resources to many families in the bottom three quintiles of the family income distribution for children. Yet, because there were few changes in eligibility rules or benefit levels between 2000 and 2014, these programs did little to offset the large income declines that children in middle-class and lower-income families have experienced since 2000.

Notes

ⁱElder, 1974; Conger and Elder, 1994; Kalil and Ziol-Guest, 2008; Kalil and Wightman, 2011; Stevens and Schaller, 2011; Sandstrom and Huerta, 2013.

ⁱⁱBailey and Dynarski, 2011; Reardon, 2011; Duncan, Kalil, and Ziol-Guest, 2016. Reardon (2011), for example, finds that about one-half of the rising income gap in SAT test scores between the lowest-income and highest-income children born since the 1950s can be accounted for by increasing income inequality (Kalil, 2014). More recently, Duncan, Kalil, and Ziol-Guest (2016) find that increases in income inequality between the late 1960s and 1990s account for more than three-quarters of the increasing gap in years of schooling completed, about one-half of the increasing gap in college attendance, and about one-quarter of the increasing gap in college graduation.

ⁱⁱⁱKornrich and Furstenberg, 2013.

^{iv}For example, Chin and Phillips, 2004; Downey, von Hippel, and Broh, 2004; Heckman and Materov, 2007; Reynolds, et al, 2011; Yoshikawa, et al. 2013; Garcia, Heckman, Leaf, and Prodos, 2016.

^vFor the timing of U.S. recessions since 1980, see National Bureau of Economic Research, 2015.

^{vi}See Appendix A. from March 2015 Current Population Survey. Percent below poverty threshold value (21.1%), U.S. Census Bureau, retrieved October 2, 2015 from http://www.census.gov/hhes/www/cpstables/032015/pov/pov01_100.htm and percent below 200% of poverty threshold value (42.9%) from U.S. Census Bureau, retrieved October 2, 2015 from http://www.census.gov/hhes/www/cpstables/032015/pov/pov01_200.htm.

^{vii}A measure often used as an alternative to the official federal poverty rate in public policy discussions is the percentage of children with family incomes below 200% of the official poverty threshold. See Ascend, 2014.

^{viii}See U.S. Bureau of Labor Statistics, 2016a.

^{ix}See The American Heritage Dictionary of Cultural Literacy (2005) and Cambridge Business English Dictionary (2015) regarding hidden unemployment.

^xSee U.S. Bureau of Labor Statistics (2015a) regarding discouraged workers.

^{xi}For underemployment see Sum and Khattiwada, 2010.

^{xii}See Board of Governors of the Federal Reserve System, 2014, and Federal Reserve Bank of San Francisco, 2015, for discussions on involuntary part-time work associated with the Great Recession. See also U.S. Bureau of Labor Statistics, 2015a.

^{xiii}U.S. Census Bureau, 2015. Retrieved with assistance from Jean Mullin. Housing costs include mortgage or rent and utilities. See Appendix A for method of calculation.

- ^{xxxv} All dollar values in this report are adjusted for inflation using the Consumer Price Index (CPI) and presented as 2014 dollar values, calculated from U.S. Bureau of Labor Statistics, 2015b, reported in U.S. Inflation Calculator, Consumer Price Index Data from 1913 to 2015. Retrieved October 27, 2015 from <http://www.usinflationcalculator.com/inflation/consumer-price-index-and-annual-percent-changes-from-1913-to-2008/>.
- ^{xxxvi} For example, see Meyer and Rosenbaum (2001); Chetty, et al. (2011); Dahl and Lochner, 2012; Maxfield (2013); Nichols and Rothstein (2015) and Marr, et al. (2015).
- ^{xxxvii} Safety-net, income-enhancing policies with a shorter timeframe or specialized focus include the following; (1) for nutrition, the Supplemental Nutrition Assistance Program (SNAP) (also known as Food Stamps), the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), the National School Lunch Program (NSLP), and the School Breakfast Program (SBP); (2) for educational assistance in the federal tax code, the Child and Dependent Care Tax Credit, the Higher Education American Opportunity Tax Credit & Lifetime Learning Tax Credit, and the Higher Education, Student Loan Interest Deduction and Tuition and Fees Deduction; and (3) for general assistance the Temporary Assistance for Needy Families (TANF) Program. For a description of these three educational assistance policies which are embedded in the federal tax code see Efile (2015).
- ^{xxxviii} IRS, 2017.
- ^{xxxix} Tax Policy Center, 2015a; Tax Foundation, 2015a, 2015b, 2015c. The marginal rates at these income levels did decline slightly between 2000 and 2003 from 15% to 10% for the lowest tax bracket, from 28% to 25% for the next-lowest tax bracket, and from 31% to 25% for the next-to-next lowest tax bracket. These changes acted to reduce somewhat the value in reduced taxes of the personal exemption, and hence to reduce somewhat the disposable income of families. Thus, these small changes acted to accentuate, rather than offset, the income declines reported here between 2000 and 2014.
- ^{xl} Tax Policy Center, 2015b.
- ^{xli} CLASP, 2015; White House, 2015.
- ^{xlii} Calculated by Donald J. Hernandez and Jeffrey S. Napierala from Falk (2014).
- ^{xliii} Pomerleau, 2013.
- ^{xliiii} Tax Policy Center, 2015a; Tax Foundation, 2015a, 2015b, 2015c. The marginal rates at these income levels did decline slightly between 2000 and 2003 from 15% to 10% for the lowest tax bracket, from 28% to 25% for the next-lowest tax bracket, and from 31% to 25% for the next-to-next lowest tax bracket. These changes acted to reduce somewhat the value in reduced taxes of the personal exemption, and hence to reduce somewhat the disposable income of families. Thus, these small changes acted to accentuate rather than offset the income declines reported here between 2000 and 2014.
- ^{xlv} Tax Policy Center, 2015b.
- ^{xlvi} CLASP, 2015.
- ^{xlvii} Center on Budget and Policy Priorities, 2015.
- ^{xlviii} Tax Policy Center, 2015b.
- ^{xlviii} Crandall-Hollick, 2014.
- ^{xl} Crandall-Hollick, 2014; Tax Policy Center, 2015b.
- ^l CLASP, 2013.
- ^{li} Calculated by Donald J. Hernandez and Jeffrey S. Napierala from Falk (2014).
- ^{lii} Falk, 2014.
- ^{liii} Calculated by Donald J. Hernandez and Jeffrey S. Napierala from Falk (2014).
- ^{liiii} IRS, 2014.

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