Poverty among Latino children has soared during the past decade, accounting for half of the total growth in the number of American children who are poor. One in three Latino children was living in poverty as of 1989. Many Latino children are poor despite their parents' best efforts to pull their families out of poverty and despite the fact that they are "playing by the rules." Poor Latino children often live with both parents and have at least one employed parent. Immigrant Latinos are even more likely than U.S.-born Latinos to exemplify traditional work and family values, as indicated by high rates of male labor-force participation and low levels of out-of-wedlock childbearing. Contrary to typical stereotypes of unwillingness to work, key factors contributing to high Latino child poverty rates include: (1) parents' low hourly earnings; (2) parents' low educational attainment; (3) Latina women's smaller likelihood of working outside the home; and (4) widespread employment discrimination. Regardless of race or ethnicity, poor children are much more likely than nonpoor children to suffer developmental delay and damage, to drop out of high school, and to give birth during the teen years. Because Latino children represent the fastest growing group of children and the future workforce, it is in the United States' self-interest to ensure that they mature into productive adults. This report includes data on Latino population trends, labor force participation, birth rate, teenage births, poverty rate, income, place of residence, health insurance coverage, female-headed families, educational attainment, female employment, family size, and receipt of government assistance. (KS)
Latino Child Poverty in the United States

Children's Defense Fund
25 E Street, N.W.
Washington, DC 20001
(202) 628-8787
Latino Child Poverty in the United States

by

Leticia C. Miranda

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Introduction and Summary

More than 12 million American children, or one in five children, are poor in the United States today. The largest portion of these children--about 41 percent--are non-Latino white* children. But 21 percent of all poor children are Latino**. Their plight deserves special attention because poverty among Latino children has soared during the past decade, accounting for half of the total growth in the number of American children who are poor. More than 1 million Latino children have been added to the ranks of the poor since 1979. As a result, one in three Latino children was living in poverty as of 1989 (the last year for which data are available).

As is true among other poor children, many Latino children are poor despite their parents' best efforts to pull their families out of poverty and despite the fact that they are "playing by the rules." Even more so than non-Latino poor children, poor Latino children often live with both parents and have at least one employed parent. For example, almost half of poor Latino children live with both parents, and two-thirds of poor Latino families with children had at least one member of the household who worked for all or part of the year.

Immigrant Latinos are even more likely to exemplify traditional work and family values than U.S.-born Latinos, as indicated by high rates of male labor force participation and low levels of out-of-wedlock childbearing. Indeed, contrary to stereotypes, immigration is not a significant cause of the high Latino child poverty rates. Even among Latino families whose household head was born in the United States, the poverty rate is three times higher than among non-Latino white families. Yet all of these Latino families, both immigrant and U.S.-born, remain disproportionately likely to be poor. Stereotypes that say that families are poor because parents do not work or adhere to traditional family values are just not true, neither for poor children in general nor for Latino children in particular.

* Federal data sources consider Latino an ethnicity, not a race. In most Census data Latino children are also counted as white (or occasionally as black or other races). In this report, data for the "white" population include almost all Latinos. Wherever possible, the author has used data for "non-Latino whites"--the white population minus Latino whites.

** The author has used the terms Latino and black throughout this report, recognizing that Hispanic and African-American are the terms used or preferred by many. The U.S. Census Bureau, for example, from which many data for this report are derived, uses the term Hispanic. There is no difference between the author's use of the term Latino and the Census' use of Hispanic. The aggregate Latino data presented in this report include persons with ancestral lines to Spanish-speaking countries.
Instead, Latino families with children are poor because hard work is not enough to alter their economic vulnerability. Key factors contributing to their high child poverty rates include: Latino parents' low hourly earnings; their greater likelihood of not having completed high school, which makes them more vulnerable to recent changes in the economy that have led to markedly lower wages for less educated workers; Latina women's smaller likelihood of working outside the home and providing a second source of earnings to help offset falling male earnings; and widespread and persistent employment discrimination. Rising Latino child poverty rates also have been driven by the declining effectiveness of government anti-poverty cash transfer payments, and by the growing proportion of Latino families with children headed by women.

It is important to understand the real causes of childhood poverty, because believing incorrect stereotypes has made it easier for us as a nation to allow growing numbers of children--Latino and non-Latino--to fall into poverty. In contrast to the 1960s, when the proportion of children who lived in poverty declined by half, in the 1980s the proportion of children who were poor increased markedly. It is not right that in this country, the richest nation on earth, we allow growing numbers of children and families to suffer in poverty.

Poor children often falter under the stresses and constraints imposed by poverty. Regardless of race or ethnicity, poor children are much more likely than non-poor children to suffer developmental delay and damage, to drop out of high school, and to give birth during the teen years. The challenges and costs of trying to repair such damage suffered by poor children after the fact will continue to overwhelm us until we combat child poverty head-on.

Our country's need for healthy, productive workers in order to compete successfully in the global economy never has been greater. With the population of children--who are tomorrow's workers--growing much more slowly than in the past, each child has become more precious. Because Latino children represent the fastest growing group of children and of the future workforce, it is in our nation's self-interest to ensure that these children are able to mature into productive adults. Our country no longer can afford to have one-fifth of the nation's children--and more than one-third of Latino children--crippled by poverty. Doing so subverts our economic, social, and moral future.

Key Facts

Latino Child Poverty

- One in 11 Americans is of Latino origin. Because Latinos are on the average younger than non-Latinos, one in nine American children is Latino.
One in five poor children in the United States is Latino. (The official poverty line in 1989—the last year for which data are available—was $9,885 a year for a family of three and $12,675 a year for a family of four.)

In 1989, 2.6 million of the 7.2 million Latino children—or more than one in three—were poor. Latino children now are nearly three times as likely as non-Latino white children (although still less likely than black children) to live in poverty.

Following a pattern true for other major race and ethnic groups, Latino children younger than 18 face a far higher likelihood of being poor than do Latino and non-Latino adults. More than one in three Latino children are poor, compared with one in five Latino adults and one in 14 non-Latino white adults.

The most vulnerable children, those younger than six, are the most likely to be poor. Four in 10 Latino toddlers and preschoolers—who are at a critical stage of development—are poor.

Despite stereotypes, poverty is a problem for all groups of Latino children. The child poverty rate is nearly one in two for Puerto Rican children and more than one in three for Mexican-Americans. Cuban-American, Central and South American, and other Latino children all have a one in four likelihood of being poor.

One in eight of all Latino children—and one in four Puerto Rican children—lives in abject poverty, below one-half of the poverty line.

Changes During The 1980s

Child poverty rates have increased for every race and ethnic group since 1979. However, the poverty rate of Latino children rose at a faster pace than that of white or black children, jumping by one-third from 1979 to 1989.

Nearly one-half of all children added to the ranks of the poor from 1979 to 1989 were Latino, although Latino children represent only one-ninth of the total child population. From 1979 to 1989 the number of poor Latino children increased by more than 1 million, with half of that increase among Latino children younger than six.

Playing by the Rules But Still Poor

Close to one-half of all poor Latino children and almost three-fifths of poor Mexican-American children live in married-couple families—far higher than the rate for non-Latino poor children. But the poverty rate of Latino children in married-couple families in 1989 was 25 percent—nearly three times as
high as the rate among non-Latino white children in such families. Being in a two-parent family is not enough to get many Latino children out of poverty.

- Between 1979 and 1989, however, the proportion of children who live in female-headed families did rise at a faster pace for Latino children than for black or white children. Nearly two-thirds of Latino children in such families were poor in 1989.

- Being in a working family is also not enough for a child to escape poverty. Because of low wages, even Latino parents who work to the fullest extent possible often cannot lift their families out of poverty. In 1989 one in nine Latino families with children in which a family head worked full-time, year-round was poor—a rate three times that of white families.

- Latino children, contrary to stereotypes, are not poor because their parents have stayed in migrant agricultural labor or comparable economic dead-ends. More than one-half of all poor Latino children live in central cities, and nearly one-third live in suburbs. Only a small minority of poor Latino children reside in rural areas.

- Many blame Latino poverty on immigration, but immigration is not the major cause of the extraordinarily high Latino child poverty rates. Even without the impact of immigration, the Latino child poverty rate still would be far higher than that of non-Latino white children.

- Contrary to another false stereotype, immigrants are as likely to work, and in some cases more likely to work, as other Americans. For example, male Mexican-American immigrants have a higher labor force participation rate than non-Latino white males. Public assistance is not available to many legal immigrants: legal immigrants are deportable if found to be using public assistance within five years of entering the United States, and most undocumented immigrants are ineligible for public assistance.

Causes of High Latino Child Poverty

- Latino families with children are more likely to be headed by persons without a high school diploma at a time when education has become a cornerstone of economic security in the United States. More than two-thirds of poor Latino family heads do not have a high school diploma, compared with less than one-half of poor white and black family heads.

- Falling inflation-adjusted wage rates have made it even harder for Latino family heads to pull their families out of poverty through work. Latino men age 25 and older are nearly three times as likely as they were in 1979 to be paid below-poverty wages.
• Latino women are less likely to work outside the home and provide a second source of earnings to help shield Latino families from poverty.

• Latino workers continue to be denied employment or equitable treatment on the job as a result of discriminatory hiring and personnel practices.

• Poor Latino families have slightly more children, on average, than white or black families. Since it takes more income to lift a larger family out of poverty than it does a smaller family, the higher number of children in Latino families makes it harder for Latino families to escape poverty.

• The effectiveness of government cash assistance programs in lifting otherwise poor Latino children out of poverty declined markedly during the past decade. In 1979 almost one-fifth of all poor children (Latino and non-Latino) who otherwise would have been poor were pulled out of poverty by government programs. By 1987 only one-tenth were lifted out of poverty.
Snapshot of the Latino Population

In 1990 the decennial census counted 22.4 million Latinos living in the United States (the 50 states and the District of Columbia). One in 11 Americans is of Latino origin.

The Latino subgroup of Mexican origin is by far the largest, accounting for almost two-thirds of the total Latino population. Latinos of Central and South American origin now are the second largest group, and the most rapidly growing. The remainder of Latinos are of Puerto Rican, Cuban-American, or other Latino origin (See Graph 1).

More the half of all Latinos in the United States live in only two states, California and Texas. The bulk of the remaining Latinos live in other southwestern states, New York, and Florida (Graph 2).

Most Latino subgroups are concentrated in distinct geographic regions. For example, most of the Mexican-American population lives in the southwestern states of California, Texas, Arizona, New Mexico, and Colorado. Most of the mainland Puerto Rican population resides in New York, New Jersey, and other northeastern states. The Cuban-American population is concentrated in Florida. Areas where large numbers of Central Americans have settled include the Washington D.C. metropolitan area and California.

The Latino population in this country has grown dramatically in the past decade. Between 1980 and 1990, the overall Latino population grew by 53 percent (compared with 10 percent growth for the nation’s population as a whole). The number of Central and South Americans nearly has doubled since 1982. According to the U.S. Census Bureau, one-half of the Latino population increase was due to immigration and the other half due to "natural" increase (births minus deaths).

The Latino population overall is younger than the non-Latino population in the United States: in 1990, 35 percent of all Latinos were younger than 18, compared with 25 percent of non-Latinos. As a result, the median age of Latinos is far below that of non-Latinos. The Mexican-American population is the youngest, with half of its population younger than 24.1 years. The oldest subgroup of Latinos by far is the Cuban-American population, with a median age even higher than that of the non-Latino population (Graph 3).
Graph 1

Latino Population in the U.S.
By Subgroup
1990

Mexican 64.0%
Puerto Rican 10.5%
Central & South American 13.7%
Cuban 4.9%
Other Latino 6.9%

Source: U.S. Census Bureau, Series P-20, No. 449

Graph 2

Where Latinos Live
1990

California 34.4%
Texas 19.4%
Arizona, New Mexico, Colorado 7.6%
New York 9.9%
Florida 7.0%
Illinois 4.0%
New Jersey 3.3%
Rest of U.S. 14.4%

Source: U.S. Census Bureau, 1990 Decennial Census
Graph 3

Median Age of Latinos
By Subgroup
1990

<table>
<thead>
<tr>
<th>Latino</th>
<th>Years</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Non-Latino</td>
<td>33.5</td>
</tr>
<tr>
<td>Mexican</td>
<td>26.0</td>
</tr>
<tr>
<td>Central &amp; South American</td>
<td>24.1</td>
</tr>
<tr>
<td>Puerto Rican</td>
<td>27.0</td>
</tr>
<tr>
<td>Cuban</td>
<td>28.0</td>
</tr>
<tr>
<td>Other Latino</td>
<td>39.1</td>
</tr>
</tbody>
</table>

Source: U.S. Census Bureau, Series P-20, No. 449
Growing Poverty Among Latino Children

Latino children suffered huge increases in poverty during the 1980s and are very likely to be poor. In 1989 (the last year for which official poverty data are available), 2.6 million of the 7.2 million Latino children—or more than one in three—were poor. Latino children now are nearly three times as likely as non-Latino white children (although still less likely than black children) to live in poverty (Graph 4).

Following a pattern true for other major race and ethnic groups, Latino children younger than 18 face a far higher likelihood of being poor than do Latino adults. Even worse, the most vulnerable children, those younger than six, are the most likely to be poor. Four out of 10 Latino toddlers and preschoolers—who are at a critical stage of physical and mental development—live in poor families without sufficient income to provide even the most basic necessities of life.

Graph 4

Poverty Rates of Children By Race and Latino Origin 1979, 1989 (and Change)

![Bar chart showing poverty rates for different races and age groups in 1979 and 1989.]

Table 1. Poverty Rates By Age 1989

<table>
<thead>
<tr>
<th>Age Category</th>
<th>Latinos</th>
<th>Whites</th>
<th>Blacks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Children younger than 18</td>
<td>36.2%</td>
<td>14.8%</td>
<td>43.7%</td>
</tr>
<tr>
<td>Children younger than 6</td>
<td>39.6%</td>
<td>17.1%</td>
<td>50.1%</td>
</tr>
<tr>
<td>Children ages 6-17</td>
<td>34.2%</td>
<td>13.5%</td>
<td>40.3%</td>
</tr>
<tr>
<td>Adults ages 18 and older</td>
<td>20.8%</td>
<td>8.5%</td>
<td>24.3%</td>
</tr>
</tbody>
</table>

Source: U.S. Census Bureau, Series P-60, No. 168
From 1979 to 1989 the number of poor Latino children increased by more than 1 million. Half of this increase occurred among Latino children younger than six.

Child poverty rates have increased for every race and ethnic group since 1979 (Graph 4). However, the poverty rate of Latino children rose at a faster pace than that of white or black children, jumping by one-third during this period. Nearly one in every two children added to the ranks of the poor during the past decade was Latino. The black child poverty rate grew more slowly in part because black children started the decade with a poverty rate that already was very high.

Although Latino children remain less likely than black children to be poor, this gap narrowed considerably during the decade. In 1979 the Latino child poverty rate was 68 percent of the black child poverty rate, but by 1989 the Latino rate had reached 83 percent of the black rate.

Latino children represent only one ninth of the total child population and yet they accounted for almost half of the total growth since 1979 in the number of children living in poverty. Because most Latino children also are identified by the federal government as white, the growing number of poor Latino children is responsible for much of the growth in the number of white children who are counted as poor in the official poverty data as well.

### Table 2. Increase in Child Poverty By Race and Ethnic Group (In Thousands)

<table>
<thead>
<tr>
<th></th>
<th>Number of Poor Children 1979</th>
<th>Number of Poor Children 1989</th>
<th>Increase in Number of Poor Children 1979-1989</th>
<th>% Increase in Number of Poor Children 1979-1989</th>
</tr>
</thead>
<tbody>
<tr>
<td>Latino</td>
<td>1,535</td>
<td>2,603</td>
<td>1,068</td>
<td>69.6</td>
</tr>
<tr>
<td>White*</td>
<td>6,193</td>
<td>7,599</td>
<td>1,406</td>
<td>22.7%</td>
</tr>
<tr>
<td>Black</td>
<td>3,833</td>
<td>4,375</td>
<td>542</td>
<td>14.1</td>
</tr>
<tr>
<td>Asian**</td>
<td>165</td>
<td>368</td>
<td>203</td>
<td>123.3</td>
</tr>
</tbody>
</table>

* The data for "white" children include about 95 percent of Latino children.
** The data for Asian children include only poor Asian children living in families. The total number of poor Asian children in 1989 was 392.

Source: U.S. Census Bureau, Series P-60, No. 168; Decennial Census, PC80-1-C1; and unpublished tables from the Current Population Survey.
This increase in the number of poor Latino children reflects both higher poverty rates among Latino children and overall growth in the Latino population. More than two-fifths of the increase in the number of poor Latino children from 1979 to 1989 is due to the dramatic jump in the Latino child poverty rate. Even if the Latino population had not grown at all after 1979, higher child poverty rates alone would have pushed more than 450,000 additional Latino children into poverty. The rest of the increase during the 1980s is explained by an equally dramatic growth in the total Latino child population, about one-half of which was due to immigration.

**Immigration: Not a Significant Role in High Latino Child Poverty Rates**

Many blame Latino poverty on immigration, but immigration is not the major cause of the extraordinarily high Latino child poverty rates. Even without any impact from recent immigrants, the Latino child poverty rate would still be far higher than that of non-Latino white children. For example, among Mexican-Americans, who account for nearly two-thirds of all Latinos in this country, the 1979 poverty rate of families headed by native-born Mexican-Americans (19.2 percent) was three times higher than that of non-Latino white families (6.3 percent). Foreign-born Mexican-Americans did have slightly higher poverty rates (24.0 percent) than those born in the United States, but the difference was modest.

<table>
<thead>
<tr>
<th>Table 3. Poverty Rates of Families by Nativity of Household Head, Selected Ethnicities, 1979*</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Mexican-American families</td>
</tr>
<tr>
<td>Foreign-born</td>
</tr>
<tr>
<td>Native-born</td>
</tr>
<tr>
<td>All non-Latino white families</td>
</tr>
</tbody>
</table>


*1979 data from the decennial census are used because those are the latest data available by nativity of the householder.

Given that the difference in the poverty rate is modest and that, even with the additional immigration of the 1980s, only a minority of all Latinos are foreign-born, immigration does not increase significantly the overall poverty rate of Latinos. Data from the 1980 decennial census show that two-thirds of all Latinos were native-born U.S. citizens. Thus, foreign-born Mexican-American families pulled the 1979 family poverty rate of all Mexican-American families only slightly higher, from the 19.2
percent figure for native-born Mexican-Americans to 21.4 percent overall.

Due to recent immigration, the proportion of Latinos who were foreign born grew from 33 percent in 1980 to an estimated 38 percent in 1990. (The number is estimated because 1990 census data have yet to be released.) As a result, Latino immigrants may have had a slightly greater impact on the poverty rate of all Latinos in 1989 than in 1980. However, even if Mexican immigration had twice as great an impact in 1989 as it did in 1980, immigration still would play a relatively minor role as a factor contributing to high Mexican-American family poverty.

Thus, even without immigration Latino poverty still would be extremely high and growing. Some may assume that immigrants are a major part of the Latino poverty problem out of a mistaken belief that many immigrant families are part of an "underclass" characterized by reluctance to work, dependence on welfare, and single-parent families. In fact, however, data on Latino immigrants demonstrate that their presence actually strengthens and reinforces the family values and work ethic that Americans hold dear. For example, despite low earnings and often poor employment prospects, male Latino immigrants are more likely to be working or seeking work than male Latinos born in the United States. Moreover, male Mexican-American immigrants have a higher labor force participation rate than non-Latino white males. And public assistance is not even available for many immigrants: legal immigrants must prove that they will not become a public charge and are deportable if found to be using public assistance within five years of entering the United States, and most undocumented immigrants are ineligible for public assistance.
Table 4. Labor Force Participation Rates of Persons Aged 16-64 By Race, National Origin, Nativity, and Gender
1980

<table>
<thead>
<tr>
<th></th>
<th>Men Native</th>
<th>Foreign Total</th>
<th>Women Native</th>
<th>Foreign Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Latino</td>
<td>79.6</td>
<td>84.7</td>
<td>81.9</td>
<td>54.3</td>
</tr>
<tr>
<td>Mexican</td>
<td>81.2</td>
<td>87.7</td>
<td>83.5</td>
<td>54.2</td>
</tr>
<tr>
<td>Puerto Rican</td>
<td>67.2</td>
<td>77.0</td>
<td>73.8</td>
<td>47.6</td>
</tr>
<tr>
<td>Cuban</td>
<td>70.9</td>
<td>87.0</td>
<td>81.0</td>
<td>60.1</td>
</tr>
<tr>
<td>Cent./S. American</td>
<td>73.3</td>
<td>83.3</td>
<td>82.5</td>
<td>57.3</td>
</tr>
<tr>
<td>Other Latino</td>
<td>80.3</td>
<td>85.2</td>
<td>81.3</td>
<td>57.0</td>
</tr>
<tr>
<td>Black</td>
<td>----</td>
<td>----</td>
<td>73.3</td>
<td>----</td>
</tr>
<tr>
<td>Non-Latino White</td>
<td>----</td>
<td>----</td>
<td>84.6</td>
<td>----</td>
</tr>
</tbody>
</table>


Immigrant Latinas also reflect a strong commitment to traditional family values. Immigrant Latina mothers are substantially less likely to give birth outside of wedlock than are Latina mothers born in the United States (Graph 5).

Graph 5

**Proportion of Births to Married Women, 1984**

<table>
<thead>
<tr>
<th>Race/Country</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>White</td>
<td>88.8%</td>
</tr>
<tr>
<td>Foreign- or Puerto Rican-Born</td>
<td>73.5%</td>
</tr>
<tr>
<td>U.S.-born Latinas</td>
<td>69.6%</td>
</tr>
</tbody>
</table>

Immigrant Latinas also are much less likely to bear children at very young ages. The proportion of immigrant Latina mothers who were teenagers when giving birth in 1984 was half as high as that of Latina women born in the United States (Graph 6).

![Graph 6: Proportion of Births that Were to Teen Mothers in 1984](image)

**Latino Family Structure**

Close to half of all poor Latino children live in married-couple families—far higher than the rate for non-Latino poor children. The idea that the child poverty problem can be solved through a greater adherence to traditional family values ignores the reality of pervasive poverty among Latino married-couple families (Graph 7).

From 1979 to 1989 the poverty rate of all United States children in married-couple families—regardless of their race or ethnicity—rose substantially. However, the poverty rate of children in married-couple families increased much faster among Latinos than among other groups, growing by one-third. In 1989 more than one-fourth of all Latino children in married-couple families were poor—nearly three times the poverty rate for non-Latino white children in such families (Graph 8).
Proportion of Poor Children
Living in Married-Couple Families
1989

Graph 7

Poverty Rates of Children
in Married-Couple Families
1979, 1989

Source: U.S. Census Bureau, Series P-60, No. 171

Source: U.S. Census Bureau, Series P-60, No. 188 and No. 125

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During the 1980s the traditional dominance of married-couple families within the Latino population diminished somewhat. Between 1979 and 1989 the proportion of Latino children who live in female-headed families jumped by one-third—a faster rate of increase than occurred among black or white children. Latino children still are more likely to live in married-couple families than black children, but this difference in family structure has been erased partially by the changes of the past decade. But because the poverty rate among children in Latino married-couple families is so high, nearly one-half of poor Latino children live in married-couple families.

Latino female-headed families, like their non-Latino counterparts, face extraordinarily high poverty rates (Graph 9). Nearly two-thirds of Latino children in such families were poor in 1989, reflecting the myriad of difficulties facing women who head families when there is only one potential wage earner. Women generally earn less than men, finding adequate and affordable child care is often a barrier to work or to full-time work, and child support by absent fathers too often is small and paid sporadically or not at all.

Graph 9

Child Poverty Rates By Family Type, Race, and Latino Origin

1989

<table>
<thead>
<tr>
<th>Family Type</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Married-Couple Family</td>
<td>63.1%</td>
</tr>
<tr>
<td>Female-Headed Family</td>
<td>64.3%</td>
</tr>
<tr>
<td>Non-Latino White</td>
<td>36.2%</td>
</tr>
<tr>
<td>Black</td>
<td>18.3%</td>
</tr>
<tr>
<td>Latino</td>
<td>25.2%</td>
</tr>
</tbody>
</table>

Source: U.S. Census Bureau, Series P-60, No. 171
Poverty Despite Work

Because of low wages, even those Latino parents working to the fullest extent possible often cannot lift their families out of poverty. In 1989 more than half of poor Latino families with children had a household head who worked at least part of the year. One in five poor Latino families with children had a household head who worked full-time, year-round. Latino families with children with a family head working full-time, year-round were three times more likely to be poor than comparable white families in 1989 (Graph 10).

Graph 10

 Poverty Rate of Families with Children in which the Family Head Worked Year-Round Full-Time 1989

<table>
<thead>
<tr>
<th>Percent</th>
<th>White</th>
<th>Black</th>
<th>Latino</th>
</tr>
</thead>
<tbody>
<tr>
<td>0%</td>
<td>3.5%</td>
<td>9.2%</td>
<td>11.1%</td>
</tr>
</tbody>
</table>

Latino children are poor despite the work effort of their parents in large part because many Latino parents work in jobs paying extremely low wages. Latino men 25 and older who are paid on an hourly basis are more than twice as likely as white men 25 and older (and 20 percent more likely than comparable black men) to be employed at wages too low to bring a family of three above the poverty line even through full-time, year-round work. Latinas 25 and older are also more likely than either black or white women or men to be earning such below-poverty wages (Graph 11).
Latino workers also lag behind other workers in median hourly earnings.

Table 5. Median Hourly Earnings of Wage and Salary Workers Age 25 and Older
Paid Hourly Rates, 1989

<table>
<thead>
<tr>
<th></th>
<th>White</th>
<th>Black</th>
<th>Latino</th>
</tr>
</thead>
<tbody>
<tr>
<td>Both Sexes</td>
<td>8.08</td>
<td>7.09</td>
<td>6.73</td>
</tr>
<tr>
<td>Men</td>
<td>9.91</td>
<td>7.93</td>
<td>7.39</td>
</tr>
<tr>
<td>Women</td>
<td>6.83</td>
<td>6.36</td>
<td>5.90</td>
</tr>
</tbody>
</table>


Where Latino Children live

More than one-half of all poor Latino children live in central cities, and nearly one-third live in suburbs. Only a small minority of poor Latino children reside in rural areas.
Many Americans' most vivid mental image of Latino child poverty is that of rural Latino children, particularly children of migrant farmworkers. While it is true that many Latino children live in poor migrant farmworker families, it is inaccurate that all or most poor Latino children live in such families. In fact, only one in 10 poor Latino children lives in a rural area, whether a migrant or otherwise (Graph 12).

Graph 12

Proportion of Poor Latino Children Living in Central Cities, Suburbs, and Rural Areas
1989

Central Cities 58.5%
Suburbs 31.2%
Rural 10.3%

Source: U.S. Census Bureau, Series P-60, No. 171

A traditional route to the United States, used primarily by Mexican-American immigrants, was to work as migrant farmworkers. A recent study published in Science Magazine found that the farmworker path to America, while still significant, is being used less and less by Latino immigrants. Specifically, the proportion of male Mexican-American immigrants working in agriculture fell by one-half from 1960 to 15 percent while the proportion of Latino immigrants in manufacturing nearly doubled.

Although there are far fewer Latino children living in rural areas than there are in central cities, these rural children are just as likely to be living in poverty as those living in cities. In both central cities and rural areas more than four out of every 10 (.2 percent) Latino children are living in poverty. Twenty-eight percent of Latino children in suburbs are poor. Yet the fact that there are more than 800,000 poor Latino children in suburbs indicates that Latino child poverty cannot be ignored even there.
Health Insurance

More than one-third of poor Latino children had no health insurance at any time during 1989.

Regardless of income, Latino children are less likely to have health insurance coverage than either white or black children. The proportion of poor Latino children not covered by health insurance at any time during 1989 was 37.2 percent, compared with 28.2 percent of poor white children, and 19.8 percent of poor black children. Among all Latino children, poor and non-poor, almost one-third (30.1 percent) had no health insurance at any time during 1989, while one-eighth of all white and one-sixth of all black children were uninsured (Graph 13).

Two forces underlie lower Latino child health insurance coverage rates: poor Latino children are less likely to have employer-based health insurance and Medicaid than other children (Graph 14).
The Many Faces of Latino Child Poverty

High child poverty afflicts all groups of Latino children. Latino children in the United States, regardless of ethnic subgroup, face poverty rates two to four times that of non-Latino whites. Mexican-American and Puerto Rican children have the highest poverty rates among Latino children. And despite stereotypes to the contrary, child poverty among Cuban-American, Central and South Americans, and Other Latinos is two times that of non-Latino white children.

Mexican-American Children

Hard work and adherence to traditional family values do not guarantee an escape from poverty for any group of American families, but the assurances for Mexican-American families are particularly weak. Mexican-American families are more likely than other families to be poor despite full-time, year-round work, and despite the presence of both parents in the household.

Among all Mexican-American families with a head working full-time, year-round, one in nine nonetheless remained poor in 1987, compared with one in 29 white families. More than one-quarter of all Mexican-American families had a head working full-
time, year-round in 1987, compared with 17 percent of poor white families and 10 percent of poor black families.

Living in a married-couple family also does not provide the escape from poverty for Mexican-American children that many would expect. In fact, more than half (57 percent) of all Mexican-American poor children live in married-couple families, compared with about one-third of non-Latino poor children (Graph 15).

Graph 15

Proportion of Poor Children Living in Married-Couple Families 1989

From 1979 to 1989 the already high poverty rate of Mexican-American children in married-couple families climbed by an astronomical two-fifths, from 20.3 percent to 28.7 percent. This is the highest poverty rate among all race and ethnic groups for children in two-parent families (Graph 16).

The proportion of Mexican-American children living in female-headed families is lower than that of Puerto Rican or black children. One-fifth of all Mexican-American children live in female-headed families, compared with about half of black and Puerto Rican children. Over the past decade the proportion of Mexican-American children living in families headed by women did increase by two-fifths, rising at a faster pace than for any other race or ethnic group for which there are data. This increase during the 1980s in the proportion of Mexican-American children who live in female-headed families was similar to the rapid increase that occurred among black children in the 1970s.
Overall, the poverty rate for Mexican-American children (37 percent) is below that for Puerto Rican (48 percent) and black children (44 percent) (Graph 17).
Yet Mexican-American children are more likely to be near-poor—to live in families with incomes just above the poverty line. One-third of Mexican-American children live above the poverty line but below 200 percent of poverty, compared with one-fourth of black and Puerto Rican children, leaving about the same proportion of each of the three groups living either below or near poverty (Graphs 18 and 19).

Graph 18

Percent of Children Who Are Poor or Near Poor
1989

Graph 19

Percent of Children in Married-Couple Families who are Poor or Near-Poor
1989

Source: U.S. Census Bureau, P-40, No. 171 and unpublished tables.
Lack of health insurance is another major problem for the Mexican-American population, despite their attachment to the workforce. Many Mexican-American workers are in low-wage jobs that do not provide health insurance benefits, and many do not or cannot participate in public health insurance programs such as Medicaid. While Mexican-Americans, Puerto Ricans, and blacks are about equally likely (or, more accurately, unlikely) to have private health insurance, Mexican-Americans are less likely to have public health insurance through Medicaid. Consequently, Mexican-American adults and children are more likely to be completely uninsured. More than one-third (37 percent) of the total Mexican-American population lacks health insurance of any kind, compared with 10 percent of non-Latino whites, 20 percent of blacks, and 16 percent of Puerto Ricans.

Table 6. Health Insurance Coverage Of All Persons (All Income Levels) By Race and Latino Origin, 1989

<table>
<thead>
<tr>
<th></th>
<th>non-Latino White</th>
<th>non-Latino Black</th>
<th>Mexican-American</th>
<th>Puerto Rican</th>
<th>Cuban-American</th>
</tr>
</thead>
<tbody>
<tr>
<td>Private</td>
<td>68.2%</td>
<td>45.4%</td>
<td>43.7%</td>
<td>43.6%</td>
<td>55.6%</td>
</tr>
<tr>
<td>Medicaid</td>
<td>5.0%</td>
<td>23.3%</td>
<td>13.7%</td>
<td>32.5%</td>
<td>11.9%</td>
</tr>
<tr>
<td>Uninsured</td>
<td>10.2%</td>
<td>19.7%</td>
<td>36.9%</td>
<td>15.5%</td>
<td>20.3%</td>
</tr>
</tbody>
</table>


Puerto Rican Children

Puerto Rican children in the 50 states and the District of Columbia face the greatest risk of being poor, with a higher poverty rate (48.4 percent) than any other race or ethnic group, including blacks and Mexican-Americans (Graph 17). The poverty rate of Puerto Rican children jumped to 62 percent during the recession of the early 1980s and in 1989 still remained one-fifth above its 1970 level. It is likely that the 1990-1991 recession has pushed the rate over 50 percent again.

Puerto Rican children also suffer more severe poverty than other Latino children. More than one-fifth of all Puerto Rican children (and nearly one-half of poor Puerto Rican children) lived in families with incomes below half of the official poverty level (less than $5,000 annually for a family of three) in 1989 (Graph 20). This desperate poverty occurs at nearly twice the rate for Mexican-Americans and more than five times the rate for non-Latino whites.
Poverty rates of Latino children by regions coincide with the status of Puerto Ricans as the most disadvantaged Latino subgroup. Latino children living in the Northeast, primarily Puerto Rican, are much more likely to be living in poverty than Latino children in the rest of the country, who are not primarily Puerto Rican. Almost half of Latino children in the Northeast are poor, compared with about one-third of Latino children in the other three regions who are poor.

The economic prospects of Puerto Rican families and children have deteriorated during the past two decades, sometimes even while prospects for other minority groups were improving. During the 1970s, when the child poverty rates of black, Mexican-American, Cuban-American, and other Latinos all fell, the poverty rate of Puerto Rican children actually increased by 18 percent. By 1980 almost one-half of Puerto Rican children were poor, and even during the period of sustained economic growth between 1982 and 1989 the Puerto Rican child poverty rate remained at or above 48 percent.
Table 7. Percent of Children Living in Poverty By Race and Ethnicity, 1970-1989

<table>
<thead>
<tr>
<th>Year</th>
<th>Mexican</th>
<th>Puerto Rican</th>
<th>Cuban</th>
<th>Other Latino</th>
<th>Black</th>
</tr>
</thead>
<tbody>
<tr>
<td>1970</td>
<td>31.9%</td>
<td>39.0%</td>
<td>14.8%</td>
<td>25.8%</td>
<td>42.2%</td>
</tr>
<tr>
<td>1980</td>
<td>28.2%</td>
<td>46.1%</td>
<td>13.9%</td>
<td>21.4%</td>
<td>38.6%</td>
</tr>
<tr>
<td>1989</td>
<td>37.1%</td>
<td>48.4%</td>
<td>23.8%</td>
<td>28.4%</td>
<td>43.7%</td>
</tr>
</tbody>
</table>


Half of Puerto Rican children live in families headed by women, a reflection of the dramatic growth in female-headed families during the past three decades. In 1960, 15 percent of Puerto Rican families in the 50 states and the District of Columbia were headed by women, but this proportion had more than doubled to 39 percent by 1989.

Not surprisingly, Puerto Rican children living in female-headed families face extremely high poverty rates. But the rate is even higher than for children of other races or ethnic groups, including blacks and Mexican-Americans, living in families headed by women. Three-fourths of Puerto Rican children living in such families are poor (Graph 21).

Graph 21

Poverty Rates of Children in Female-Headed Families 1989

Source: U.S. Census Bureau, Series P-60, No. 171 and unpublished tables
Children of Other Latino Origin

The child poverty rates of Cuban-American, Central and South American, and other Latino origin children are lower than those of Puerto Rican and Mexican-American children. Yet child poverty rates among these Latino groups are two to two-and-a-half times higher than for non-Latino white children (Graph 17).

The Central and South American population in the United States grew rapidly during the 1980s, making them the second most populous group of Latinos. Overall there are now more children of Central and South American origin than children of Puerto Rican origin in the United States. In 1989 one in four children of Central and South American origin—or a total of nearly one quarter of a million children—were living in poverty. But because the poverty rate among Puerto Rican children is so much higher than that of Central and South American children, the number of poor Puerto Rican children still exceeds the number of poor Central and South American children by almost 150,000.

Table 8. Poverty Status of Latino Children By Subgroup, 1989

<table>
<thead>
<tr>
<th>Subgroup</th>
<th>Number of Children (In Thousands)</th>
<th>Poverty Rate</th>
<th>Number of Poor Children (In Thousands)</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Latino</td>
<td>7,186</td>
<td>36.2%</td>
<td>2,603</td>
</tr>
<tr>
<td>Mexican-American</td>
<td>5,028</td>
<td>37.1</td>
<td>1,867</td>
</tr>
<tr>
<td>Puerto Rican</td>
<td>750</td>
<td>48.4</td>
<td>364</td>
</tr>
<tr>
<td>Cuban-American</td>
<td>190</td>
<td>23.8</td>
<td>45</td>
</tr>
<tr>
<td>Central &amp; South</td>
<td>816</td>
<td>26.1</td>
<td>213</td>
</tr>
<tr>
<td>American</td>
<td>401</td>
<td>28.4</td>
<td>114</td>
</tr>
</tbody>
</table>

Source: U.S. Census Bureau, Series P-20, No. 449

Child poverty remains a serious problem in the Cuban-American population, despite stereotypes to the contrary. While Cuban-American households have the highest median income of any Latino subgroup, nearly one in four Cuban-American children was poor in 1989. Although Cuban-American children are less likely to be poor than other Latino children, the Cuban-American child poverty rate is more than twice as high as that of non-Latino white children. The median annual income of Cuban-American households is also lower than that of non-Latinos.

The Cuban-American child poverty rate rose much faster than the rate for other groups of Latino children during the past decade. Between 1979 and 1989 the Cuban-American child poverty rate rose by 71 percent, compared with a 29 percent increase.
among all Latino children. Yet because the total Cuban-American population in the United States is relatively small, the number of poor Cuban-American children still accounts for only 2 percent of all poor Latino children.

Slightly more than 100,000 poor Latino children are of other Latino origin. Official poverty data shed little light on the status of this group of children because it is a very small group and includes children of very diverse backgrounds. For example, these families include those with direct ties to Spain or Spanish-speaking Caribbean countries (such as the Dominican Republic) as well as those whose Spanish ancestors settled in portions of what is now the United States centuries ago. Additionally, some Portuguese and Filipino families are counted in this category if they identify themselves as such.
Why Are So Many Latino Children Living in Poverty?

Various factors contribute to high Latino child poverty rates. An important cause of Latino child poverty is parents' low hourly earnings. Latino parents also are less likely to have completed high school, making them more vulnerable to recent changes in the economy that have weakened employment and earnings levels particularly for high school dropouts.

Other factors fueling the rising Latino child poverty rates include widespread and persistent employment discrimination and Latina women's smaller likelihood of working outside the home and providing a second source of earnings to help offset falling male earnings. Rising Latino child poverty rates also have been driven by the declining effectiveness of government cash transfers payments and the growing proportion of Latino families with children headed by women.

Parents' Education

Latino families are more likely to be headed by persons without a high school diploma. Regardless of family type or age, the heads of Latino families with children have fewer years of education than their black or white counterparts. More than two-thirds of poor Latino family heads do not have a high school diploma, compared with less than half of poor white and black family heads.

The low educational achievement of family heads in all races and ethnic groups places their families at substantially greater risk of living in poverty. More than one-third of Latino families with children headed by a high school dropout are poor, compared with one-fifth of Latino families with children headed by a high school graduate.

Latino family heads, like black and white family heads, have improved their educational status over the past decade. The proportion of all Latino family heads who are high school graduates rose by 14 percent between 1979 and 1989. This rate of improvement was slightly faster than that of white family heads, but Latino family heads remain far behind because they began the decade at much lower average educational levels.

Yet educational achievement for Latino family heads provides no assurance that their families will not be poor. Latino families headed by high school graduates still are twice as likely as comparable white families to be poor.

Low Wages

Latino workers tend to be concentrated in jobs that pay low wages—often so low that even if they work full time throughout
the year, their earnings remain below the level needed to lift a family of three out of poverty. The proportion of Latino hourly workers paid such below-poverty wages has more than doubled since 1979, making Latinos far more likely than white or black workers to be paid such inadequate wages. Falling inflation-adjusted wage rates have made it even harder for Latino family heads to pull their families out of poverty through work (Graphs 22 and 23).

**Graph 22**

**Proportion of Female Hourly Workers Paid Wages Below the 3-Person Poverty Level, 1979 and 1989**

<table>
<thead>
<tr>
<th></th>
<th>1979</th>
<th>1989</th>
</tr>
</thead>
<tbody>
<tr>
<td>White</td>
<td>15.4%</td>
<td>22.0%</td>
</tr>
<tr>
<td>Black</td>
<td>21.3%</td>
<td>26.9%</td>
</tr>
<tr>
<td>Latino</td>
<td>18.8%</td>
<td>31.2%</td>
</tr>
<tr>
<td>All Races</td>
<td>16.2%</td>
<td>22.6%</td>
</tr>
</tbody>
</table>

Source: Bureau of Labor Statistics, unpublished tables

**Workers Age 25 and Older**

**Graph 23**

**Proportion of Male Hourly Workers Paid Wages Below the 3-Person Poverty Level, 1979 and 1989**

<table>
<thead>
<tr>
<th></th>
<th>1979</th>
<th>1989</th>
</tr>
</thead>
<tbody>
<tr>
<td>White</td>
<td>3.0%</td>
<td>7.9%</td>
</tr>
<tr>
<td>Black</td>
<td>7.6%</td>
<td>13.8%</td>
</tr>
<tr>
<td>Latino</td>
<td>5.8%</td>
<td>16.6%</td>
</tr>
<tr>
<td>All Races</td>
<td>3.7%</td>
<td>8.7%</td>
</tr>
</tbody>
</table>

Source: Bureau of Labor Statistics, unpublished tables

**Workers Age 25 and Older**
Table 9. Proportion of Hourly Workers Age 25 and Older Paid Wages Too Low to Generate Earnings More than the Poverty Level for a Family of Three

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>White</td>
<td>9.3%</td>
<td>15.6%</td>
<td>68.0%</td>
</tr>
<tr>
<td>Black</td>
<td>13.8</td>
<td>20.4</td>
<td>47.4</td>
</tr>
<tr>
<td>Latino</td>
<td>10.7</td>
<td>22.4</td>
<td>109.0</td>
</tr>
<tr>
<td>Men</td>
<td>3.7%</td>
<td>8.7%</td>
<td>153.1%</td>
</tr>
<tr>
<td>White</td>
<td>3.0%</td>
<td>7.9%</td>
<td>163.4</td>
</tr>
<tr>
<td>Black</td>
<td>7.6</td>
<td>13.8</td>
<td>82.1</td>
</tr>
<tr>
<td>Latino</td>
<td>5.8</td>
<td>16.6</td>
<td>187.8</td>
</tr>
<tr>
<td>Women</td>
<td>16.2%</td>
<td>22.6%</td>
<td>39.5%</td>
</tr>
<tr>
<td>White</td>
<td>15.4%</td>
<td>22.0%</td>
<td>42.7</td>
</tr>
<tr>
<td>Black</td>
<td>21.3</td>
<td>26.9</td>
<td>26.2</td>
</tr>
<tr>
<td>Latino</td>
<td>18.8</td>
<td>31.2</td>
<td>65.7</td>
</tr>
</tbody>
</table>


The increase in the proportion of hourly workers paid below-poverty wages has been particularly severe among Latino men. Latino men are nearly three times as likely as they were in 1979 to be paid such inadequate wages.

Latinas are the lowest paid hourly workers in the labor force and are, therefore, more likely to be earning below poverty-level wages than any other group of women or men. Nearly one-third of Latina workers earn such wages.

Latinas Less Likely To Work Outside the Home

The labor force participation rate of all Latinos, which is the same as that of whites, masks marked differences between men and women. Latino men have a higher labor force participation rate than whites or blacks, while Latinas have the lowest rate. With a smaller proportion of Latinas in the paid labor force to contribute to family income, Latino families are more likely to be poor, especially given the low wages paid to Latino males.

Latinos, like all families, have attempted to adjust to declining earnings per worker during the 1980s by sending more workers—especially women—into the paid labor force. Since 1980 the labor force participation rate of Latina women has risen 13 percent. Yet a sizable gap in labor force
participation between Latina and non-Latina women persists, so that Latino families continue to face more difficulty in escaping poverty through their work.

Table 10. Civilian Labor Force Participation Rates for Persons Age 20 and Older, 1990

<table>
<thead>
<tr>
<th></th>
<th>Men</th>
<th>Women</th>
</tr>
</thead>
<tbody>
<tr>
<td>Latino</td>
<td>84.1%</td>
<td>54.6%</td>
</tr>
<tr>
<td>Black</td>
<td>73.8</td>
<td>60.0</td>
</tr>
<tr>
<td>White</td>
<td>78.3</td>
<td>57.6</td>
</tr>
</tbody>
</table>


Latino married-couple families have the lowest proportion of women in the paid labor force. In 1989 just over half of Latina married women participated in the paid labor force, compared with 57 percent of white married women and 64 percent of black married women.

When Latina married women do participate in the paid labor force and contribute to family income, their families' risk of poverty falls sharply. As a result, the poverty rate for Latino married-couple families with children in which only the husband works full-time year-round is six times higher than the poverty rate in such families in which both spouses work full-time.

The relatively low labor force participation of Latinas also has major implications for children in female-headed families. Women in female-headed families often are the only potential wage earner, so when they do not work such families typically have no earnings to provide a stable economic base.

Puerto Rican children are especially vulnerable to the effects of low Latina labor force participation, for two reasons. First, half of all Puerto Rican children live in female-headed families, a proportion considerably higher than that for other Latino children. Second, the labor force participation rate of Puerto Rican women is substantially lower than that of other Latina, white, or black women. About 44 percent of Puerto Rican women participated in the labor force in 1990, compared with 55 percent of all Latina women, 58 percent of white women, and 60 percent of black women. The concentration of Puerto Rican families in geographic areas with declining industrial bases has increased further the likelihood that Puerto Rican women (and men) will be shut out of the job market.

Differences in labor force participation between Latina and non-Latina mothers of infants is also very striking. One-third of Latina mothers with infants (younger than 12 months old) were in the paid labor force in 1988, compared with one-half of
similar non-Latina mothers. Since Latina women have slightly more children, on average, than non-Latina women and more often prefer to stay at home to care for their newborns, it is not surprising that Latina women are less likely to be working or seeking work.

Young Latino Families

Latino families with children—whether headed by a married couple or a single woman—are more likely than white families to be headed by persons younger than 30, who face the bleakest economic prospects in today’s job market.

Table 11. Percent of Families with Children
with Householder Younger than 30, 1990

<table>
<thead>
<tr>
<th></th>
<th>All Families</th>
<th>Married-Couple</th>
<th>Female-Headed</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Races</td>
<td>19.1%</td>
<td>16.3%</td>
<td>29.2%</td>
</tr>
<tr>
<td>White</td>
<td>17.9</td>
<td>16.1</td>
<td>25.9</td>
</tr>
<tr>
<td>Black</td>
<td>28.4</td>
<td>21.3</td>
<td>35.1</td>
</tr>
<tr>
<td>Latino</td>
<td>25.8</td>
<td>23.9</td>
<td>29.7</td>
</tr>
</tbody>
</table>

Source: U.S. Census Bureau, Series P-20, No. 447.

As has been documented in previous studies by CDF and others (see, for example, Vanishing Dreams: The Growing Economic Plight of Young Families by CDF), such young families have suffered the most devastating economic losses as a result of changes in the United States economy. They face poverty rates that far surpass those of older families. Having more young families leaves more Latino children exposed to poverty. This likelihood is increased because the median income of young Latino families fell by 13 percent between 1973 and 1989, more than twice the decline suffered by young non-Latino white families. As a result of this income drop, young Latino families now are more likely to be poor than their Latino counterparts were during the early 1970s.

Employment Discrimination

Many Latino parents suffer earnings losses or are denied job opportunities as a result of discrimination, making it that much harder for Latino families to earn their way out of poverty. Numerous empirical studies have documented the pernicious effects of discrimination on the economic status of Latinos:
In 1989 the Urban Institute conducted 360 hiring audits in San Diego and Chicago with matched pairs of white and Latino testers applying for the same entry-level jobs. Whites received 52 percent more job offers and 33 percent more interviews than did Latinos. (Source: The Urban Institute. PRIP-UP-9.)

After controlling for other factors known to affect employment and earnings status—such as differences in education, age, occupation, vocational preparation, and geographic region—the United States Commission on Civil Rights found that substantial disparities existed in the employment and earnings levels of non-Latino whites and Latinos. (Source: National Council of La Raza.)

There is mounting evidence that discrimination against Latinos has increased in the aftermath of enactment of the Immigration and Control Act of 1986. Among its numerous provisions, the new immigration law requires all employers with four or more workers in the United States to obtain proof of legal right to work from all new hires, and authorizes fines to be imposed upon those who knowingly hire unauthorized workers.

In an attempt to prevent discrimination against workers who appear to be foreign, the law specifically prohibits the practice of asking for proof of legal residency from only workers who appear or sound foreign. Notwithstanding this statutory protection, a 1988 study by the General Accounting Office found that more than half a million employers—one in every six employers who were aware of the new law—began or increased practices of either asking for documentation from only foreign-looking people or hiring only United States citizens.

These findings raise the ominous prospect that many Latinos who are legal United States residents or citizens but appear or sound foreign are suffering spiraling levels of discrimination as a result of the 1986 immigration law. Such a rise in discriminatory employment practices can only add to already high levels of poverty among Latino families and children.

Family Size

Poor Latino families have slightly more children, on average, than white or black families. For example, the average number of children in Latino families is 2.16 compared with an average of 1.82 children in white families. Since it takes more income to lift a larger family out of poverty than it does a smaller family, the higher number of children in Latino families makes it harder for Latino families to escape poverty.
Table 12. Mean Number of Children in Families with Children

<table>
<thead>
<tr>
<th></th>
<th>All Families</th>
<th>All Families</th>
<th>Percent Change 1979-89:</th>
</tr>
</thead>
<tbody>
<tr>
<td>White 1979</td>
<td>1.87</td>
<td>1.82</td>
<td>-2.7%</td>
</tr>
<tr>
<td>Black 1979</td>
<td>2.17</td>
<td>1.94</td>
<td>-10.6%</td>
</tr>
<tr>
<td>Latino 1979</td>
<td>2.40</td>
<td>2.16</td>
<td>-10.0%</td>
</tr>
</tbody>
</table>

Mean Number of Children in Poor Families with Children

<table>
<thead>
<tr>
<th></th>
<th>Poor Families</th>
<th>Poor Families</th>
<th>Percent Change 1979-89:</th>
</tr>
</thead>
<tbody>
<tr>
<td>White 1979</td>
<td>2.33</td>
<td>2.19</td>
<td>-6.0%</td>
</tr>
<tr>
<td>Black 1979</td>
<td>2.65</td>
<td>2.35</td>
<td>-11.3%</td>
</tr>
<tr>
<td>Latino 1979</td>
<td>2.73</td>
<td>2.53</td>
<td>-7.3%</td>
</tr>
</tbody>
</table>

Source: U.S. Census Bureau, Series P-60, No. 168 and 125

While Latino families on average are somewhat larger than non-Latino families, the stereotype of Latino poverty—based on the notion that Latino families have very large numbers of children—is clearly wrong. More than half (58 percent) of poor Latino families have only one or two children. The vast majority (80 percent) of poor Latino families have three or fewer children. Moreover, the average number of children in poor Latino families has fallen substantially since 1979, and the average number of children among all Latino families (poor and non-poor) is falling even more rapidly than it is among white families.

Government Assistance

Latino families with children are less likely to be lifted out of poverty by government cash assistance programs. During the 1980s Latino children were hit hard by a combination of changes in the job market that pushed them deeper into poverty and cuts in government cash assistance programs. The effectiveness of government cash assistance programs in lifting otherwise poor Latino children out of poverty declined markedly. In 1979 almost one-fifth of all poor children (Latino and non-Latino) who otherwise would have been poor were pulled out of poverty by government programs. By 1987 only one-tenth were lifted out of poverty. During this period government cash transfer payments per poor family fell by 21 percent. The declining anti-poverty effectiveness of these government programs accounted for nearly half of the increase in the poverty rate among all families with children form 1979 to 1989.
Latino children, like black children, are even less likely to be pulled out of poverty by government aid than are white children. For example, in 1989 one in 11 otherwise poor Latino children was pulled out of poverty in this manner compared with one in seven white children. This pattern holds even for Latino married-couple families with children, who are more likely to be poor and yet still less likely to be lifted out of poverty by government aid than comparable non-Latino families. Of these otherwise poor married-couple Latino families, one in eight was lifted out of poverty in 1989, compared with one in five such white and black families.

Female-Headed Families

As noted earlier, while Latino children still are more likely to live in married-couple families than are black children, the proportion of Latino children living in female-headed families has grown by one-third since 1979. This growing proportion of Latino children living in female-headed families was not the major factor fueling increases in the Latino child poverty rate during the 1980s. Only one-third of the increase in the poverty rate of Latino children in that decade can be attributed to the growing proportion of children living in female-headed families. Yet this trend clearly has made it even more difficult for many Latino families with children to avoid living in poverty.
Recommendations

As more and more Latino, white, black, Asian, and Native American children join the ranks of the poor, America can only preserve its future strength, competitiveness, and economic and social vitality if it mounts efforts to reverse this trend and combat child poverty. It is critical that these efforts reach the families of poor Latino children because Latino children represent the fastest growing segment of the child population and of the future workforce. If we as a nation allow one-third of all Latino children to grow up in poverty, millions of these children will fail to develop to their full potential and our economy and our society, as well as the children themselves, will suffer severely as a result.

All parents, including poor parents, have the primary responsibility for providing adequate income for their families as well as for transmitting those bedrock beliefs and attitudes gathered under the umbrella of "family values." While some parents' attempts to provide for their families may be hindered by illness, disability, national or local economic problems, or family crises, most parents can and should be expected to take advantage of every opportunity to ensure that their families' basic needs are met. But most poor Latino families are playing by these rules, yet they remain poor. It is thus incumbent on the private and public sectors to work as hard as Latino parents to get Latino children out of poverty. We must make certain that the practices of employers and the government support families. As long as wage, tax, and assistance policies leave many families that work hard at full-time jobs thousands of dollars below the poverty line, we as a society make it impossible for parents to meet their children's needs.

Employers can give a major boost to parents' earnings through their wage and personnel policies. Making sure that wage levels are adequate to support at least a small family (sometimes called a "family wage"), that eligible workers get advance payments of the federal Earned Income Credit to supplement those wages, and that employees and their dependents have employer-provided health insurance are obvious first steps. Training and apprenticeship programs for disadvantaged youths and adults, coupled with employment practices that guarantee equal opportunity and equal treatment, also will have a positive impact on Latino families. Finally, employers can improve their own productivity while helping single parents and parents of young children participate in the labor market by providing paid parental leave, child care assistance, and flexible or part-time work schedules that accommodate family responsibilities for stressed parents from all income groups.

But efforts by parents and employers cannot succeed fully in the absence of sound public policies that contribute to a solid foundation for families and children. And only the federal government can marshal the economic resources and provide the
leadership required for an effective national effort to help all low- and moderate-income families, including Latino families, that find themselves in increasing economic trouble.

It is important that this national effort reinforce and support the traditional values that our country holds dear. Clearly, most poor Latinos, including the many who continue to form families within marriage and to work each and every day of the year, despite their poverty, believe strongly in these traditional values. All parents want to believe that they can pull their families out of poverty. With modest assistance provided by the government, the efforts of parents to do so by "playing by the rules" will be supported and rewarded. And such policies will improve the messages sent to Latino children and youths vastly. They need reinforcement of the notion that if they, as children and young adults, "play by the rules" as their parents did, they will be able to lift themselves and their families out of poverty. The erosion over the past decade of this message is very dangerous to our society.

The essential first steps in meeting the needs of poor Latino children include:

- **Expansion of education, training, and employment opportunities:** To bolster the employment prospects of all current and future workers, including Latinos, more and better investments from all levels of government and the private sector in their basic academic and vocational skills are essential. The low educational attainment of Latinos is an important barrier to their access to many of the higher skilled jobs that now demand more education from workers than ever. Thus, serious efforts to improve the educational status of Latino adults and children must be made. Because so many Latinos also are blocked by employment discrimination, vigorous enforcement and expansion of anti-discrimination laws is necessary.

The future employment prospects of Latino children will be enhanced only through major improvements in their educational attainment. This requires: educating all students with challenging, rigorous, core curricula; removing unnecessary obstacles, such as tracking, that discourage preparation for higher education; ensuring that Latino students have access to the very best teachers who know their subject matter and believe all youngsters can learn; building a multicultural school environment; and developing aggressive parent involvement programs so that parents can help their children achieve.

Since many Latino parents do not go to college or finish high school, enhancing their vocational training preparation is critical to improving their employment prospects. More funding from the federal, state, and local levels should be directed toward programs that offer quality vocational training for adults, such as the federal Bilingual Vocational Education program.
For youths, obvious first steps at the federal level include a major expansion of the successful Job Corps program, improved targeting of programs funded through the Job Training Partnership Act (JTPA), and efforts to test new forms of apprenticeship for young people not going on to college.

Greater federal funding for adult basic education, English-as-a-second-language (ESL), and inter-generational literacy programs should be expanded since there is considerable evidence that the current supply of affordable literacy and ESL classes is insufficient. Contrary to the popular notion that Latino immigrants do not want to learn English or improve their education, ample anecdotal evidence points to widespread demand among Latino adults for literacy and English classes that is far outpacing the supply. Many schools and community-based organizations throughout the country report substantial waiting lists for their ESL classes. These organizations also report that a large proportion of recently legalized immigrants who were required to take 40 hours of English and civics classes volunteered to continue to take classes beyond the requirements to further improve their English.

To allow more women who are receiving public assistance to make the transition to self-sufficiency a much greater level of federal and state commitment to providing quality employment training, education, and supportive services is necessary. To help the most disadvantaged welfare recipients targeted by the Family Support Act of 1988 for education and training programs, most states will need a stronger emphasis on remedial education and high-level training than in the past.

Equally necessary is support of anti-discrimination, job placement, and job creation efforts—the latter both as a counter-cyclical measure to fight recessions and as a means to provide job opportunities, particularly for young workers, through community service projects administered at the local level in areas with high ongoing unemployment.

• **Minimum wage increase:** Because so many Latino parents work and do so at such low wage jobs, increasing the minimum wage would be particularly effective for Latino families with children. Parents who work should not have to be poor or see their children suffering in poverty. The government must revive its commitment to a "family wage" by restoring the minimum wage to the value it had in the 1970s. This should begin with an increase from the current $4.25 per hour to $4.65 per hour in 1992.

• **Health insurance:** Even though most poor Latino parents work, they are less likely to have health insurance because their jobs are less likely to offer employer-provided insurance or dependent coverage. Yet bureaucratic barriers—such as a lack of bilingual application forms and asset test requirements—limit
enrollment in Medicaid among Latino children. Consequently, Latino children, and especially Mexican-American children, are more likely than either white or black children to lack both private and public health care coverage. Enactment of a comprehensive national health program that provides affordable care to all Americans is important to the health of Latino parents and children.

- **Enactment of a refundable children's tax credit:** A modest basic amount per child should be available through the tax system to every family with children, either to reduce taxes or (by being refundable) to help low-income families with no tax liability. Such a universal refundable credit could replace the current personal exemption, thereby making the federal tax code fairer while also alleviating the growing economic burdens facing low- and moderate-income families.

This proposal would be especially helpful to Latino families because the tax credit is universal—it would go to all families regardless of income or marital status. The many Latino children in families with incomes just above the poverty line as well as those with incomes below the poverty line all would gain. They would benefit far more from such a credit than from an increase in the tax code's personal exemption provision that disproportionately supports the affluent. Since the tax credit would be distributed through the tax system and all families would receive this credit, the stigma currently attached to the receipt of governmental aid would not exist. Instead, a strong work ethic and adherence to traditional family values would be supported by the enactment of a children's tax credit.

- **Earned Income Credit:** The federal Earned Income Credit (EIC) for low-income workers with children also should be expanded and made more responsive to family size. Currently, the EIC is available to low-income families with children who derive their earnings from employment. In 1990 a family earning less than $10,730 annually could claim a $953 credit to reduce income taxes or as a cash payment to offset Social Security taxes and as income support. As income rose above $10,730, the credit amount decreased, reaching zero when income equaled $20,264.

The EIC is particularly effective for working poor and near-poor families with children and therefore particularly helpful to Latino and especially Mexican-American families and children. The tax credit could be made much more helpful to Latinos, who tend to have somewhat larger families, by making it more responsive to family size. Currently, the EIC is larger for families with two children than it is for families with one child; however, the EIC amount for two children is the maximum. Proposals to expand the EIC slightly for larger families should be adopted.

In addition, greater outreach to potentially eligible families should be undertaken. Many families who are eligible,
including many Latino families, do not apply for the tax credit because they lack information about it. Simplifying existing application procedures would also encourage more families to apply.

- Creation of a child support insurance system: As greater proportions of Latino children grow up with only one parent, adequate child support has become a much more critical issue for Latino families. In 1987 only 42 percent of the 937,000 Latino women with children from absent fathers were awarded child support payments, and less than one-third (28 percent) actually received the payments. The poverty rate for Latina women with children from an absent father was 50 percent.

To combat extremely high child poverty rates in single-parent families, the government should ensure that all children who are not living with both parents receive a minimally adequate child support payment from the absent parent. In those instances when adequate payments cannot be collected on the child's behalf, despite more vigorous federal and state child support enforcement efforts, the federal government should make up the difference and guarantee that children do not suffer as a result of the shortcomings of the child support system.

- Food stamp improvements to aid families with children: Food stamps can be particularly effective for poor and near-poor Latino families because eligibility depends on income, not arbitrary rules limiting work efforts or defining family composition. But benefits need to be improved. Congress can take immediate steps to help families with children and reduce the incidence of childhood hunger by passing the Mickey Leland Childhood Hunger Relief Act. These food stamp improvements would help families with particularly high housing costs while also updating basic benefit levels to reflect more accurately current food costs.

- Other repairs in the safety net for poor families: Federal and state governments should restore minimally adequate benefits under the Aid to Families with Dependent Children (AFDC) program, reversing two decades of neglect that have reduced dramatically the level of help available to poor families with children who have nowhere else to turn. Puerto Rican children, whose parents' employment opportunities have been particularly diminished by the shrinking of the United States industrial base, are especially likely to depend on public assistance for survival. Many of these Puerto Rican children live in families with incomes below one-half of the poverty line. Improvements in benefit levels would help lift such children above the deep poverty in which they live. Efforts to increase the supply of affordable housing and ensure adequate housing for poor families with children also are essential to prevent homelessness and ease economic pressures on families that face extraordinarily high housing costs.