

Family, Home Environment & Economic Well-Being



Fewer than four out of 10 children in Memphis live with both parents.

American children are born into and grow up in a variety of family types. Research shows consistently that the well-being of children is affected primarily by family income, structure and education level. Family structure refers to the family type and marital status of parents or guardians. Most children live in married-parent families, single-parent families or families headed by a grandparent or other relative.

Family life is the single greatest influence on a child's achievement throughout his/her academic career. Research shows that the differences in child rearing and home environment affect cognition, social and emotional development and academic achievement.

There is good news for children in falling rates of teen pregnancy and divorce, but there are still many family issues of concern. Tremendous disparities still exist among family incomes of different racial and ethnic groups and between single-parent and married-couple families.

The relationships between family type, education, income and race result in different opportunities for children in Memphis and Shelby County. Continued understanding of the reciprocal relations between income, race, educational attainment and family type is needed in order to improve conditions for all children in our community.

Early child development, school readiness, delinquency and educational attainment all are associated with the advantages and disadvantages of a family's economic situation. Economic disadvantages often mean less-educated parents with poor parenting skills. Financial stress itself also affects parenting. Along with mother's education and age at first birth, family income is the best predictor of developmental outcomes from children.

Being near or below the poverty level is a special risk. Child poverty in Shelby County poses serious challenges because it is pervasive, long-standing and increasing. Nearly 45 percent of Shelby County children live in families with economic security issues.

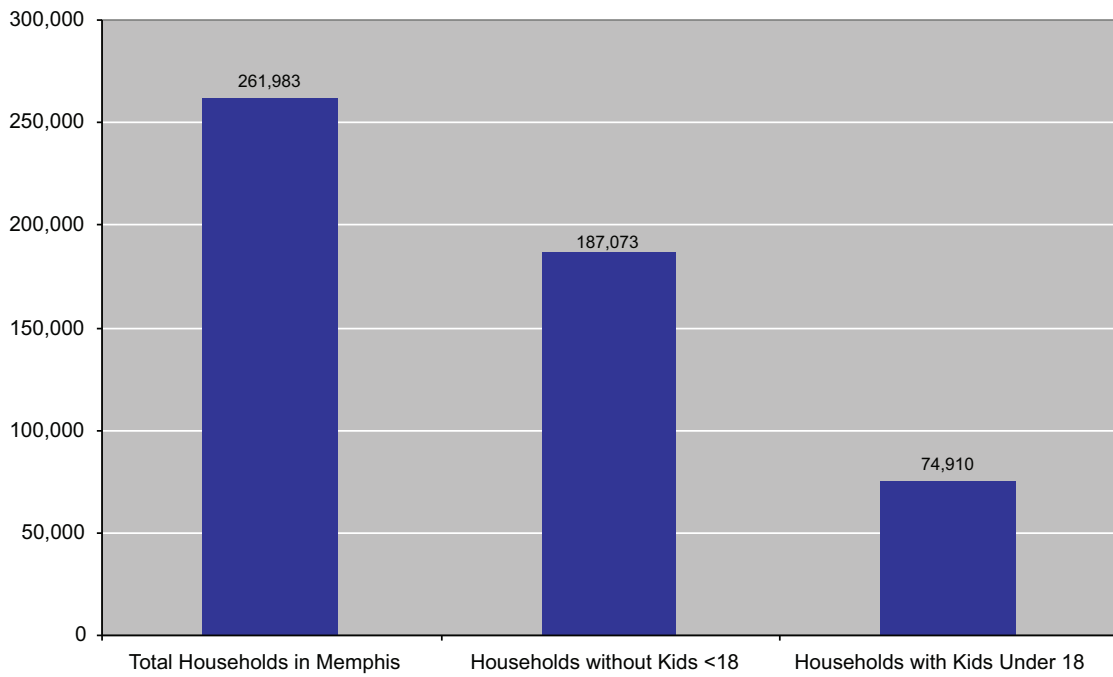
This domain explores the dimensions of family and home environment in Memphis and Shelby County and the role they play in supporting healthy child development.

Children do best when they live in families with two parents who have college degrees and a stable, steady residence. Children are most vulnerable in families headed by a single parent, in which case they are more likely to live in poverty. Single and early parenthood contributes to many problems facing children because parents are less likely to finish school and earn higher degrees, two important factors in improving the well-being of children. In Memphis and Shelby County, as across the country, higher wages and salaries correspond to higher levels of education, which in turn affects children's school readiness and vocabularies. (*Meaningful Differences*)

The number of households with children is shrinking.

Of the more than 100 million households in the United States, one in three has children at home. While parents with children at home made up a majority of U.S. voters in 1956 (55%), today they constitute a shrinking minority.

City of Memphis Households by Presence of Children, 2005

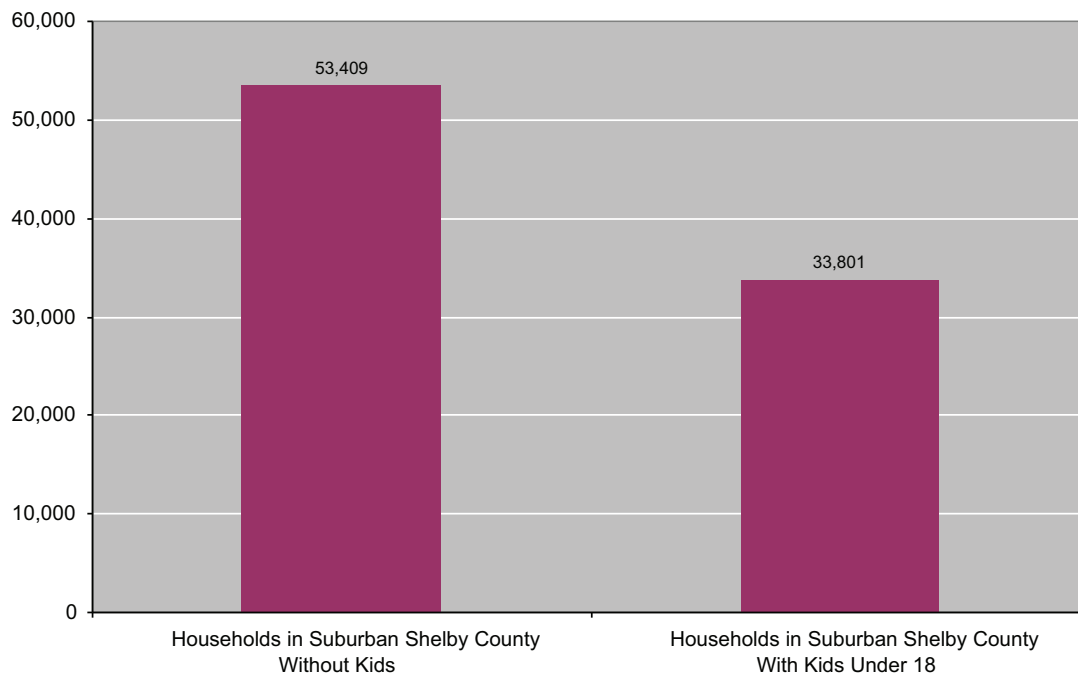


Source: American Community Survey, 2005

Less than one-third of households in the City of Memphis (29%) and Shelby County (31%) have children.

There were fewer households with children in the City of Memphis in 2005 than in 2004 (ACS). The largest concentration of families with children is in suburban Shelby County. The percentage of households with children in the Memphis MSA is about the same as in Shelby County.

Suburban Shelby County Households by Presence of Children, 2005



Source: American Community Survey, 2005

As the number of households with children in the U.S. declines it becomes more difficult to maintain an effective political force for children.

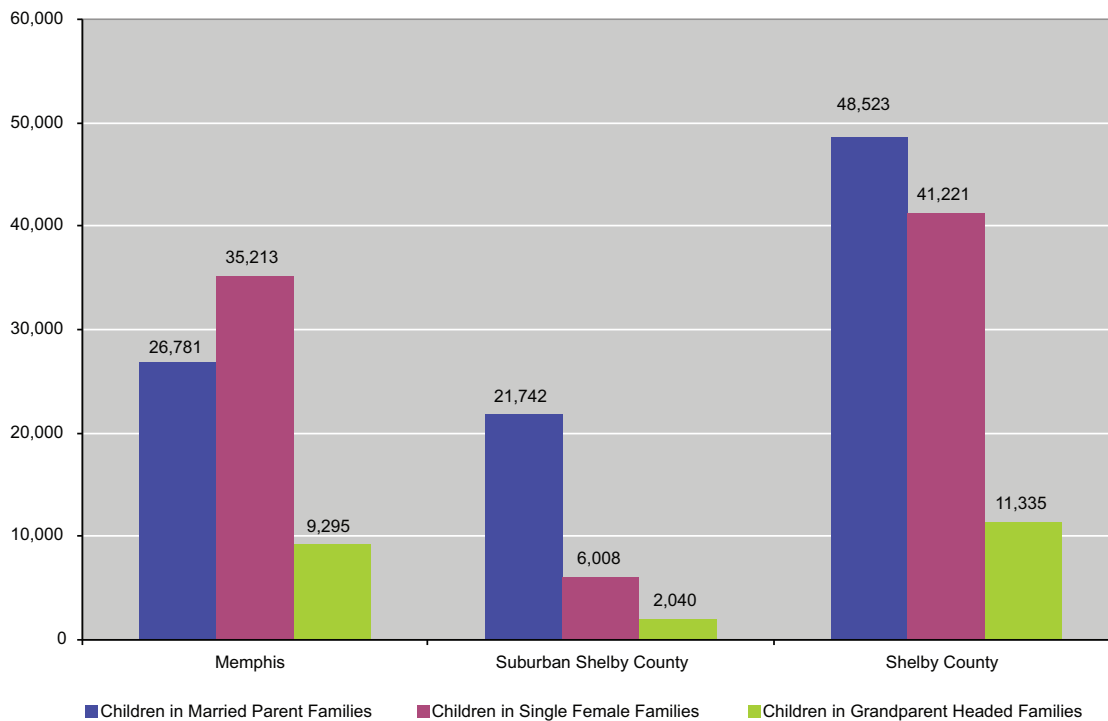
In November, 2006 83 percent of voting Tennesseans passed Amendment 2, the Property Tax Relief Act, to enable people over the age of 65 to opt out of paying property taxes. Since Tennessee has no state income tax, property taxes comprise the bulk of revenue for all local government activities, including education. That this amendment passed so overwhelmingly is no accident. When the majority of people do not have contact daily with children it becomes increasingly difficult to make children's issues a priority.

Children, while equally in need, do not vote and thus rely on support from their caretakers and the community to advance children's issues.

In the City of Memphis only 38 percent of children live in a two-parent household.

- More than half of all children in the City of Memphis live in a household headed by a single-mother, and fewer than four in 10 live in a two-parent household.
- In suburban Shelby County, on the other hand, 73 percent of children live in two-parent households, and only one in five lives in a single-woman household.
- In the State of Tennessee 75 percent of children live in two-parent households.
- Only 14 percent of City of Memphis children living in poverty live with married parents. The other 86 percent are with single women.
- Younger children in Memphis are more likely to live in a single-mother family than are older children.

Shelby County Children by Living Arrangements, 2005

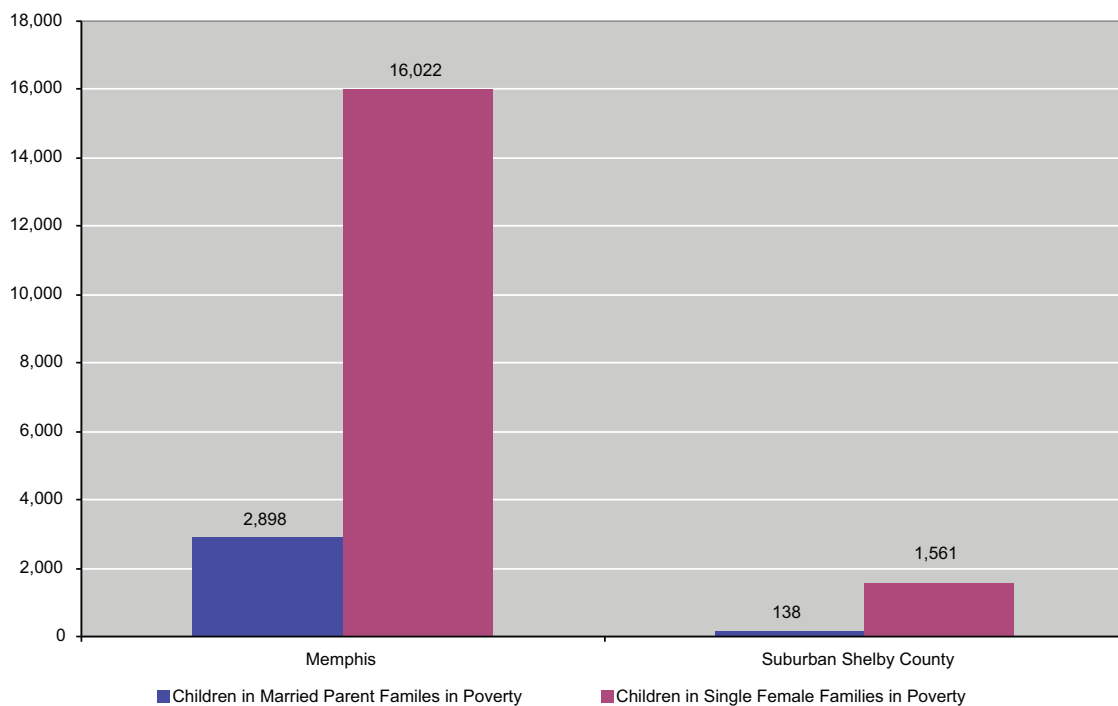


Source: American Community Survey, 2005

Children in single-mother households are six times more likely to live in poverty.

Poverty-level income is determined by an arguably outdated formula implemented in 1959. It is based on family size. Eligibility for some income-support programs such as Temporary Assistance to Needy Families (TANF), or Families First in Tennessee, requires income well below the poverty level to qualify. Eligibility for other programs is determined by other factors such as the definitions of “extreme poverty, near poverty” and “low income.”

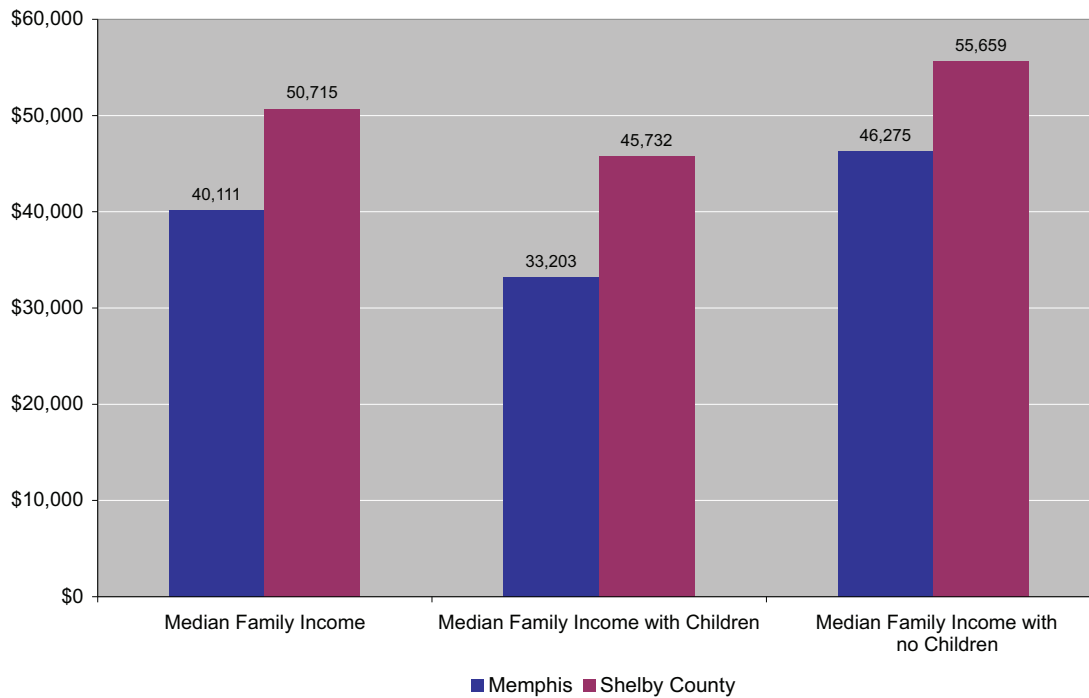
Families with Children in Poverty by Living Arrangement, 2005



Source: American Community Survey, 2005

City of Memphis family incomes are 29 percent below U.S. median, and the gap is widening.

Median Family Income in Memphis & Shelby County, 2005



Source: American Community Survey, 2005

- Median household income in the City of Memphis is \$33,244. In Shelby County it is \$40,839. (ACS 2005)
- National, median household income is \$46,242. In the City of Memphis families earn 29% percent less than the national median.
- While the national median has grown by 10 percent since 2000 (up from \$41,994), the City of Memphis median income has increased by only three percent (from \$32,285).
- In the City of Memphis white single mothers have twice the annual income of black single mothers.
- White married couples earn 20 percent more in Memphis than do black married couples.

As these findings suggest, low-income families and single-parent families are not all the same. The data reflect the reality that there are many different paths to poverty, and there are subtle but important differences that characterize the well-being of children and families in Memphis.

City of Memphis families have few assets and little or no economic safety net.

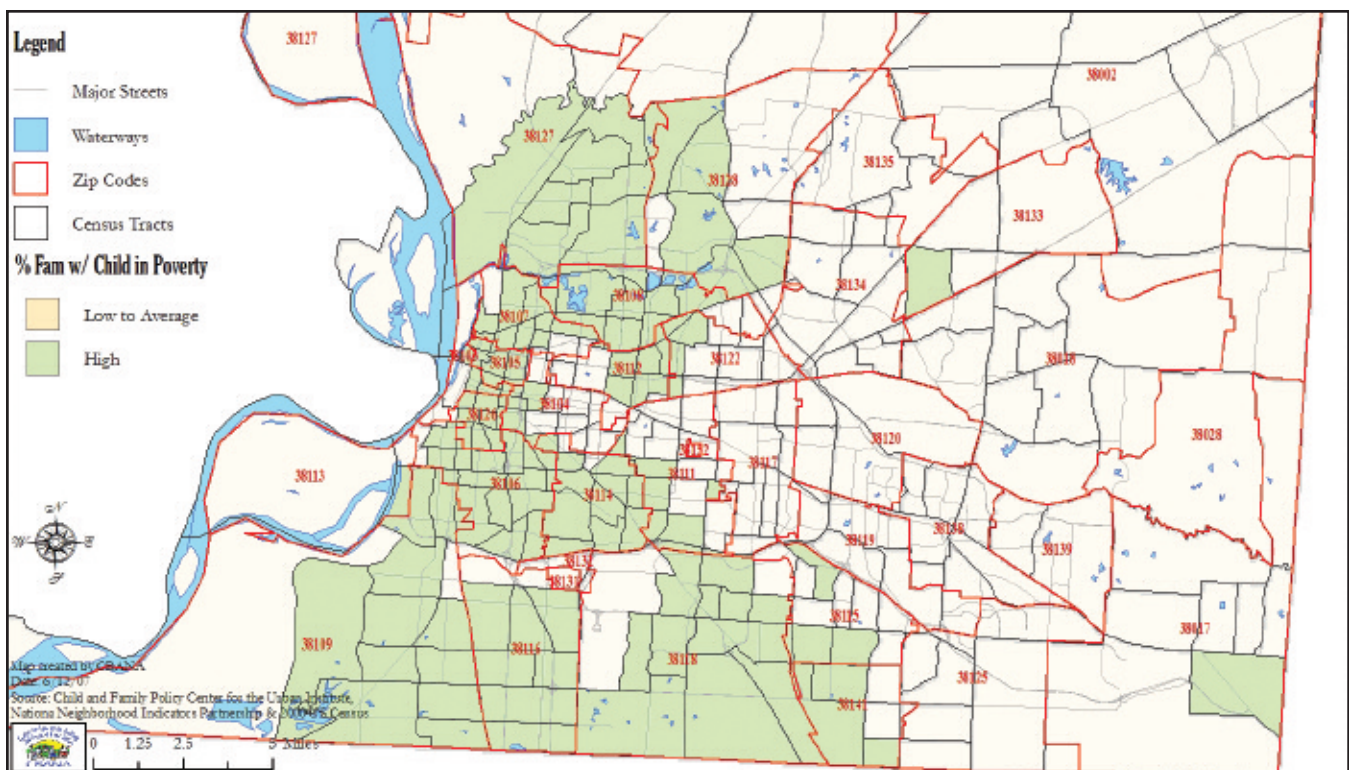
The majority of City of Memphis families have few financial assets and little wealth to protect against economic hardship. Census data commonly report annual income, but accumulated assets (measures of wealth) are just as important for gauging family security and estimating the likelihood of economic stress.

- Economic stress can affect pre-natal care and parenting even in families that are not poor economically.
- Economic stress also affects the rate at which children change schools, and that affects student achievement.

One estimate of wealth comes from IRS data on household income from interest, dividends and rent, all of which imply assets that can cushion against economic insecurity.

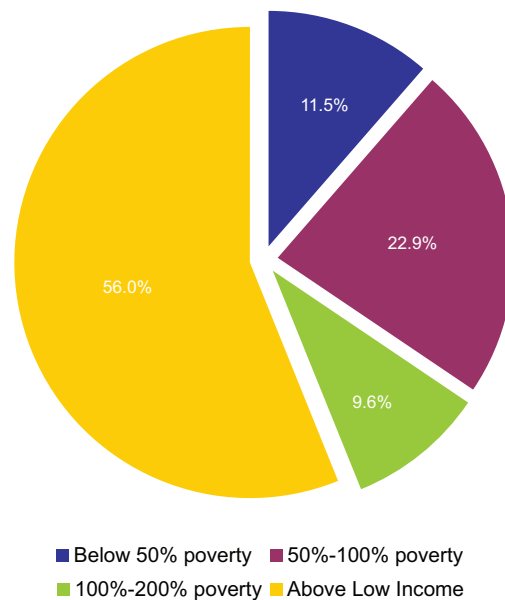
- Only about half of Shelby County census tracts fall within the normal range of asset income compared to households nationally.
- In the City of Memphis, 65 percent of census tracts (107) have high proportions of households with few financial assets.
- Only one low-asset tract lies outside the City of Memphis in suburban Shelby County.
- The majority of these low-asset census tracts are in predominantly black neighborhoods.

Distribution of Census Tracts with Low Incidence of Households Having Dividend Interest or Rental Income



Poverty is growing in Shelby County.

Living Standards of Shelby County Children, 2000



Source: U.S. Census, 2000

Children in poverty increased by 10 percent county-wide from 2000 to 2005. From 2004 to 2005 an abnormally substantial decrease (from 16,596 to 4,400) occurred in suburban Shelby County, and a similarly dramatic increase (53,158 to 59,328) occurred in the City of Memphis as a result of annexation of a portion of suburban Shelby County by the City of Memphis.

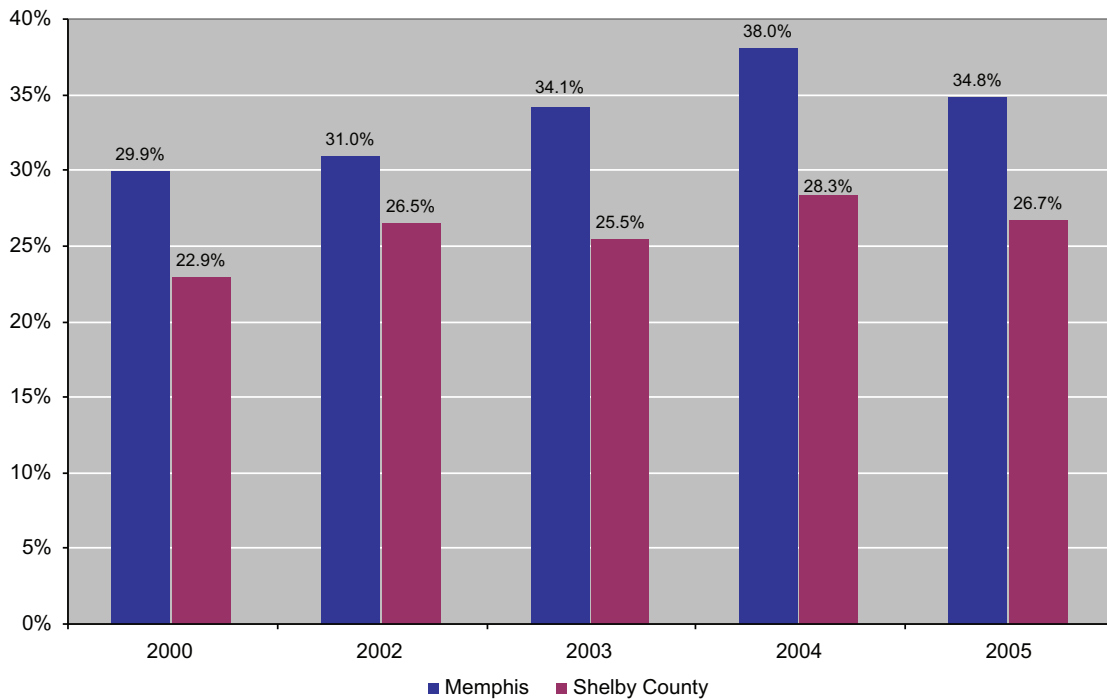
The percentage of children living below poverty in the City of Memphis increased by almost five percent between 2000 and 2005 and in suburban Shelby County by almost four percent.

- In the City of Memphis 59 percent of children are in low income or poverty.
- In Shelby County 44 percent are in economically vulnerable families.
- The typical size of a poor family in the City of Memphis is three. The 2005 (most recent) poverty level for a family of three is \$15,735.
- “Extreme poverty” or “very poor” are defined as a family with 50 percent or less of poverty level income, or \$7,868 for a family of three.
- “Near poverty” level is defined as income between the poverty level and the poverty level plus 25 percent, or \$19,669.

“Low income” eligibility for programs such as Section 8 subsidized housing vouchers means income of up to 80 percent of the “area median income” (AMI) for families in the metropolitan area. The current AMI for Shelby County is \$41,250 for a family of three.

Some government reporting methods and child advocacy programs use a standard of up to 200 percent of poverty level income to mean “low income.” In the City of Memphis, 200 percent of the poverty level for a family of three is \$31,470, which is almost 25 percent less than the AMI. The 200 percent method, which is included in data below, therefore, is a conservative estimate of economic disadvantage.

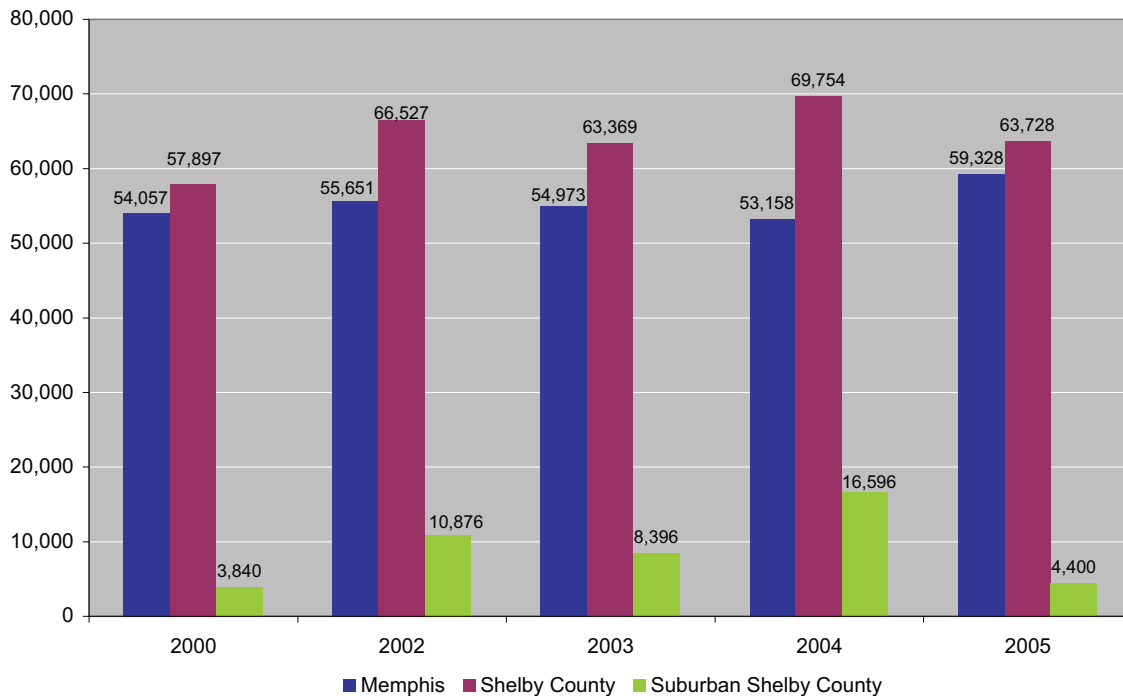
Percent of Children Living Below Poverty in Memphis & Shelby County, 2000-2005



Source: U.S. Census 2000, American Community Survey, 2002-2005

Shelby County patterns are heavily influenced by what happens in the City of Memphis, but the trend data show that children in suburban Shelby County suffer setbacks as well. This suggests that low-income suburban families have not been insulated from economic trends during this period, also that some poor and economically marginal families are moving from Memphis to suburban Shelby County.

Number of Children Living in Poverty in Memphis & Shelby County, 2000-2005



Source: U.S. Census 2000, American Community Survey, 2002-2005

Poverty is predictable.

Links between poverty, race and ethnicity remain strong in Memphis and Shelby County.

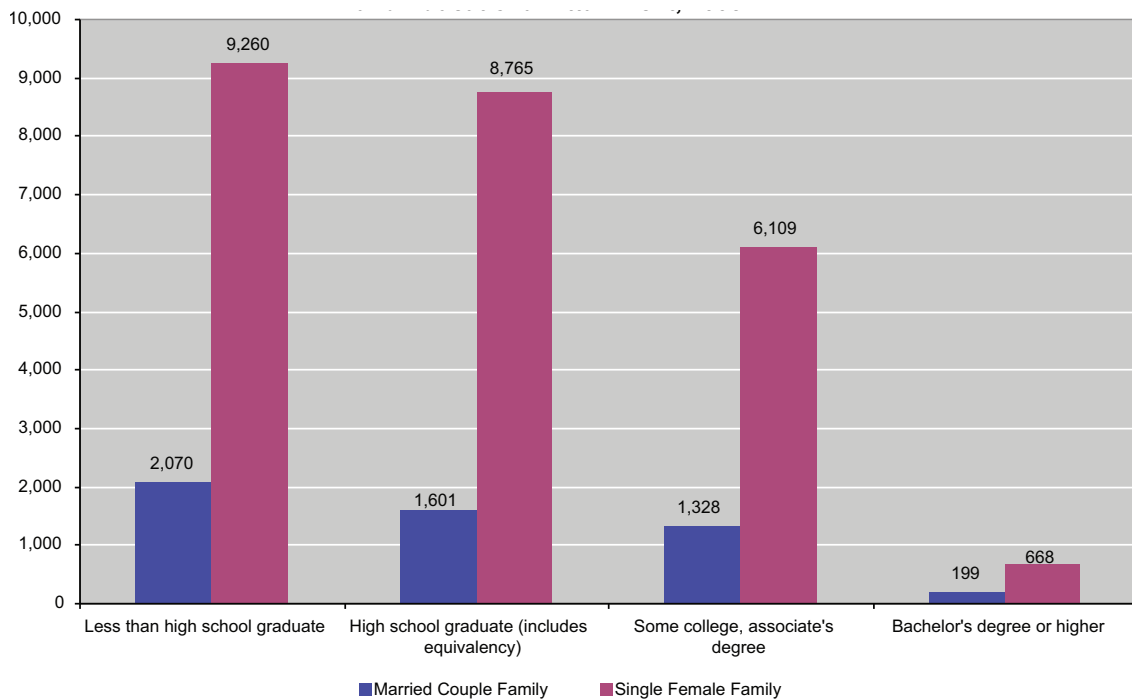
Even when education levels are comparable, white men and women in Memphis earn more than black and Hispanic workers. This is due primarily to the concentration of black and Hispanic workers in lower-paying industries and/or jobs.

The more educated the parent(s), the less likely a child lives in poverty.

Whether in married-couple families or single-mother families, the higher the education level, the less likely a child is to be living in poverty. Locally one out of four children is born to a mother with less than a high school education.

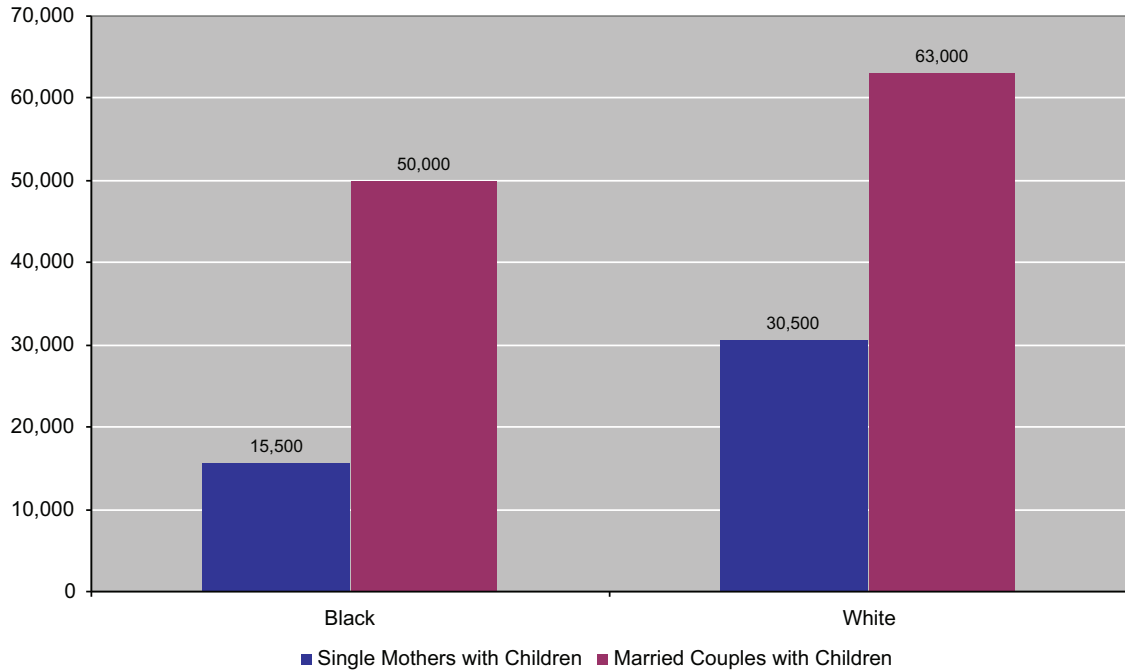
Families headed by single mothers have significantly lower incomes than do two-parent families.

Families Living in Poverty in Memphis by Family Type and Educational Attainment, 2005



Source: American Community Survey, 2005

Differences in Family Income in Memphis by Living Arrangements and Race, 2000



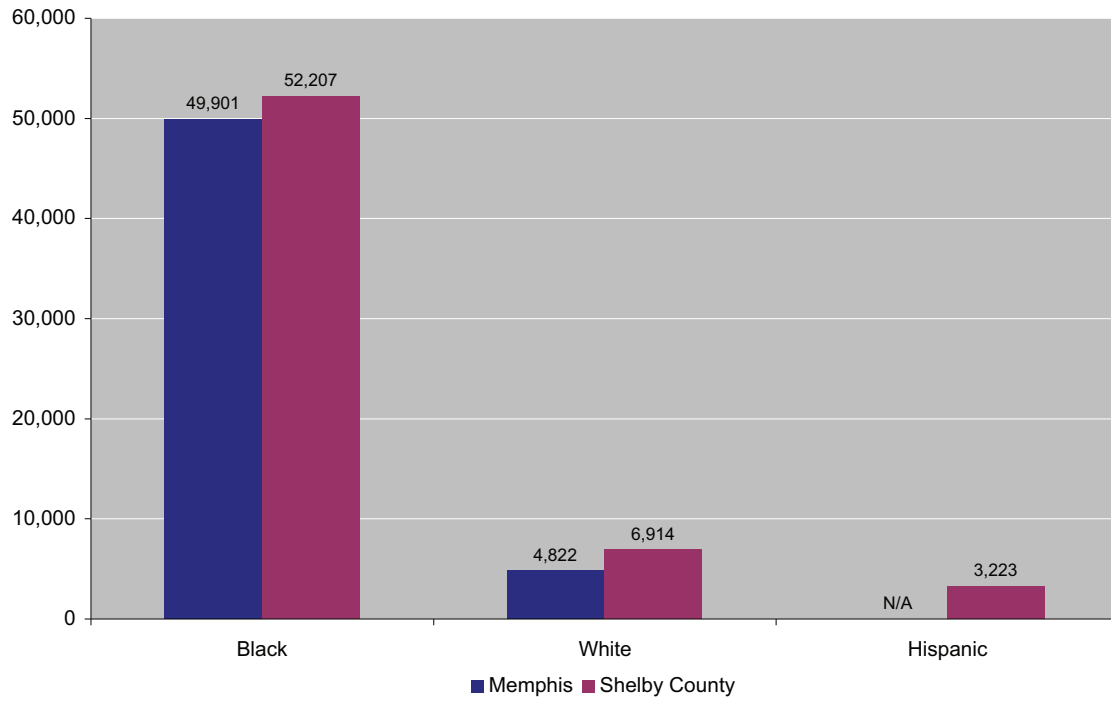
Source: U.S. Census Bureau, 2000

Mother's education and age when her first child is born are important predictors of child poverty. Those factors define in most cases her education and marital status, both of which are strong determinants of poverty, especially for black children in Shelby County.

National research demonstrates that when unmarried girls and young women with little education have children, the fathers are unlikely to be significant contributors to family income, even if parents are married. This is less true of older, and better-educated, single mothers whose additional education leads to higher income.

Black children are three times more likely and Hispanic children more than twice as likely, to be in poverty than are non-Hispanic, white children.

Number of Children Living in Poverty by Race & Ethnicity, 2005



Source: American Community Survey, 2005

Poverty spawns a host of negative conditions and outcomes in children. Included are:

- Health problems
- Child abuse and neglect
- Unreadiness for school and delinquency
- Lack of educational attainment
- Likelihood of teenage pregnancy
- Marriage prospects
- Employment and income

Research supports that poverty and poor child development are associated with single parenting, teen mothers and low parent education. Yet, poverty introduces stress on child development that cannot be explained alone by single parenting, young mothers or mother's education.

Living in old, dilapidated housing is associated with lead poisoning from peeling paint. Lead poisoning impairs brain development and damage that cannot be reversed.

Poverty is associated with housing insecurity. Poor families experience high rates of residential transience compared to families with moderate and higher incomes, and poor families are more likely to be evicted for non-payment. Moving from neighborhood to neighborhood means children changing schools, which is associated with reduced achievement.

Poverty is also associated with unreliable transportation options, utility cut-offs, even food insecurity. All of these challenges increase parental stress, which, along with parental education, is associated with parenting skills, child neglect and abuse.

Early childhood development is affected by verbal stimulation, which varies considerably by parent education. Mother's education is one of the strongest predictors of school readiness.

Most of the relationship between poverty and its effects on children can be mediated by interventions such as pre-and-pre-kindergarten programs demonstrable results.

Where expectations are set low, children are written off.

post-natal home visits, quality and other investments that yield

Poverty also is associated with prophecies. Where expectations are written off or begin to assume caretakers, teachers, juvenile justice or others in positions of authority. These influencers need practical understanding of how to work best with children from diverse backgrounds.

labeling and self-fulfilling prophecies are set low, children are written off or begin to assume

Poverty accounts for most of the disparity in outcomes for children from diverse racial and ethnic backgrounds. We need to learn more about ways in which race and ethnicity act independently from socio-economic background on particular indicators.

Housing has a major impact on a child's development.

Home ownership is one reflection of family income and stability. In the City of Memphis 29 percent of low-income families own their homes. Two out of three low-income families rent. Median rent in the City of Memphis is \$683 and \$697 in Shelby County. In Memphis the median home value is \$86,200 and in Shelby County it is \$118,200.

Median income for a single mother with two children in Shelby County is \$18,000. Without the help of subsidies, if she paid the median rent it would amount to 46 percent of her income. Median income for a married couple with one child is \$34,000. "Median rent" for a married couple would amount to 25 percent of the family's income.

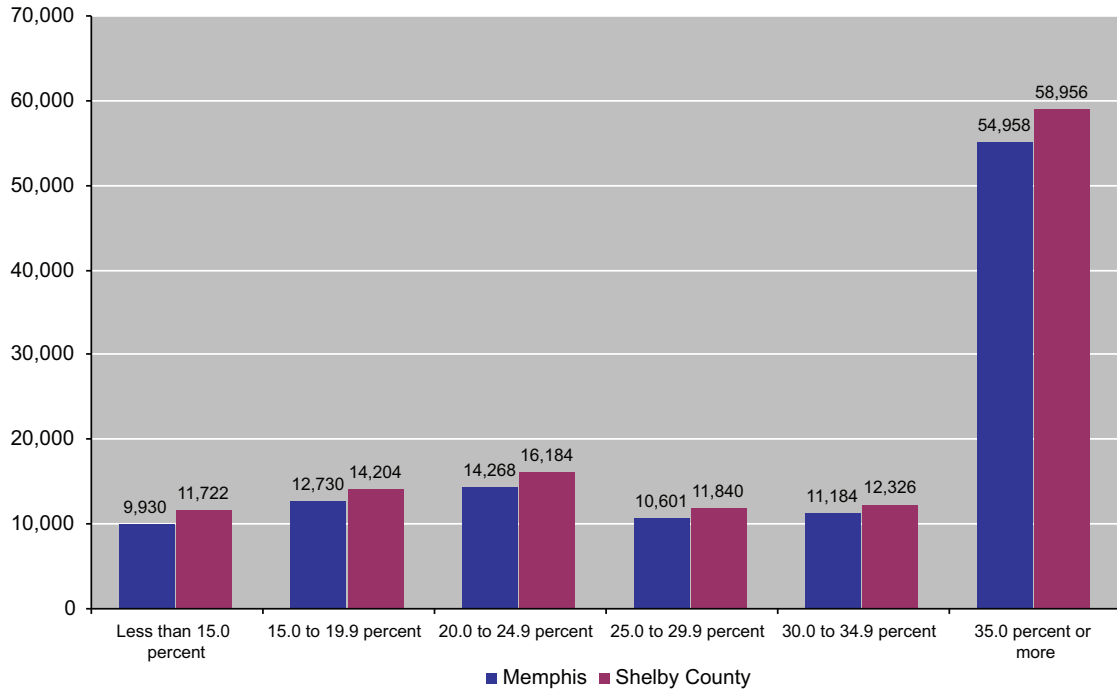
Despite the fact that Memphis is one of the lowest-cost housing markets in America, more than half of renters in Memphis and Shelby County spend more than one-third of their income for rent.

Home ownership also is an indicator of neighborhood stability. Transience is an indicator of instability. Suburban Shelby County has a low transient population and a high percentage of residents who live in the same home as last year.

In the City of Memphis black and Hispanic families are twice as likely as white families to have moved in the past year. The largest number of newcomers to Shelby County is Hispanic.

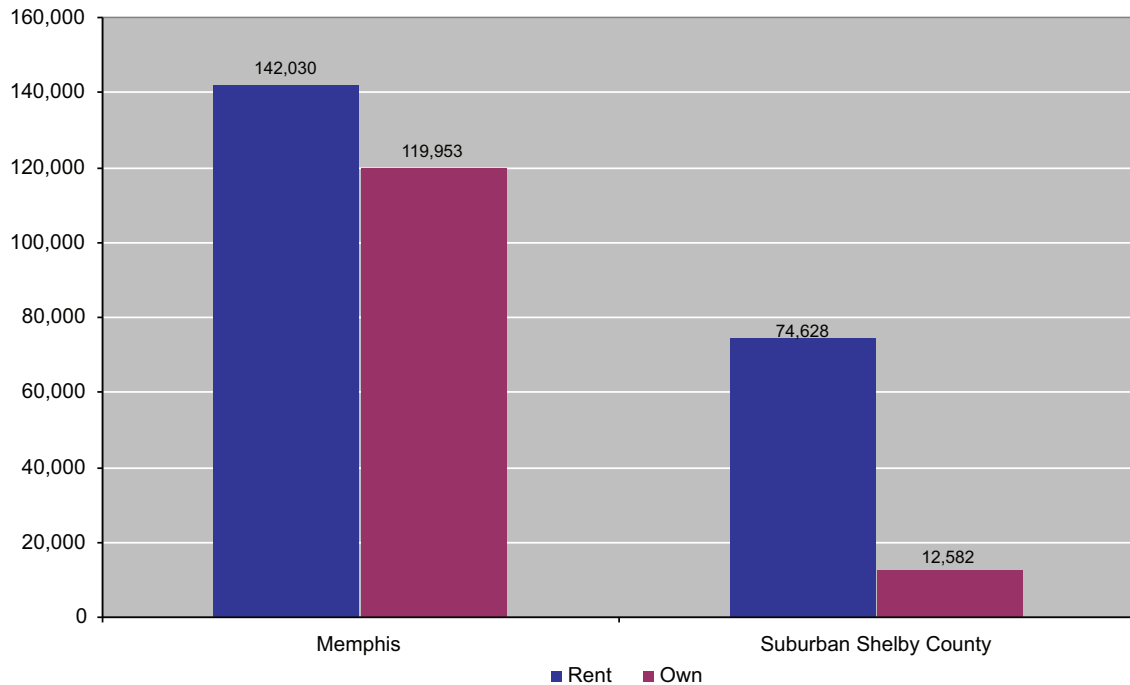
The replacement of low-income housing with mixed income housing in downtown and uptown Memphis has displaced many families throughout the county, with roughly only 20 percent returning to their previous neighborhoods.

Percent of Income Spent on Rent in the City of Memphis, 2005



Source: American Community Survey, 2005

Home Ownership in the City of Memphis and Suburban Shelby County, 2005



Source: American Community Survey, 2005

A daily average of 550 children in Shelby County are homeless.

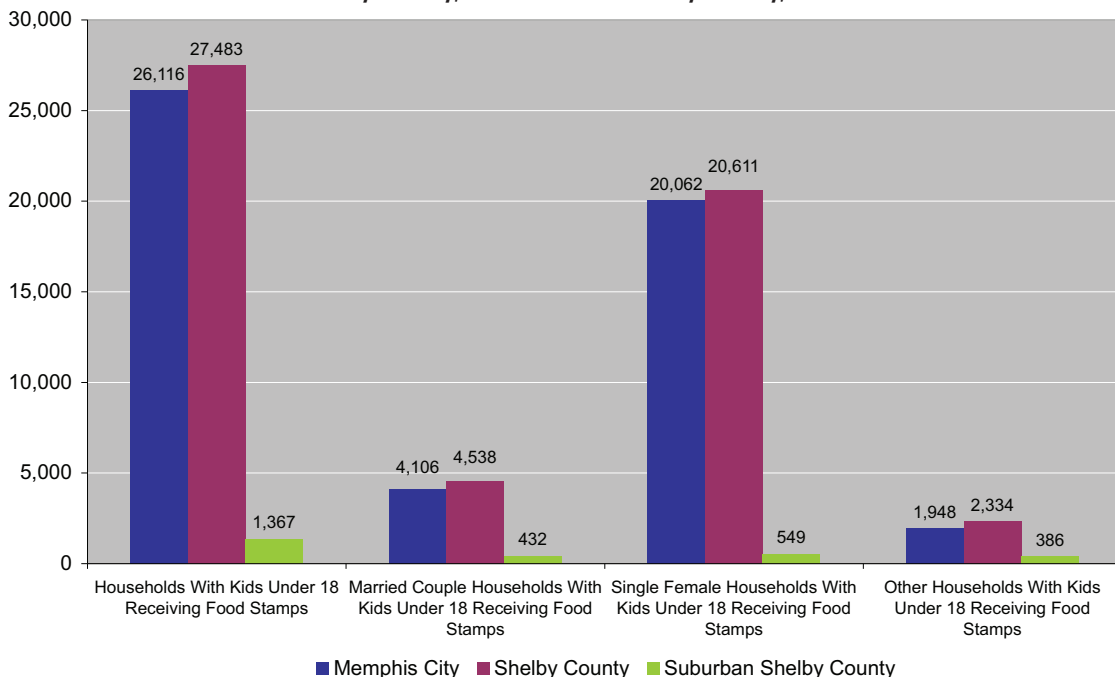
Definitions of homelessness include “temporarily displaced, precariously or marginally housed and chronically homeless.” On any given day, 1,900 people in Shelby County are homeless. This includes 225 families with about 550 children.

At some point during 2004 15,960 people, including 3,074 families with 7,187 children, were either homeless or precariously housed. (*Community Collaborative on Children, Youth and Families Needs Assessment*; 2006)

Three out of four food stamp recipients are single mothers with children under 18.

- In Shelby County families whose incomes fall below the poverty line are eligible for public assistance.
- For a family of three the Federal poverty level is \$16,600.
- The majority of food stamp recipients in Shelby County reside within the Memphis city limits.
- In the City of Memphis 76 percent of food stamp recipients are single mothers with children under 18.

Households Receiving Food Stamps in the City of Memphis, Shelby County, and Suburban Shelby County, 2005



Source: American Community Survey, 2005

- Another 16 percent of food stamp recipients in the City of Memphis are married-couple families with children under 18.
- Few residents of suburban Shelby County receive food stamps.

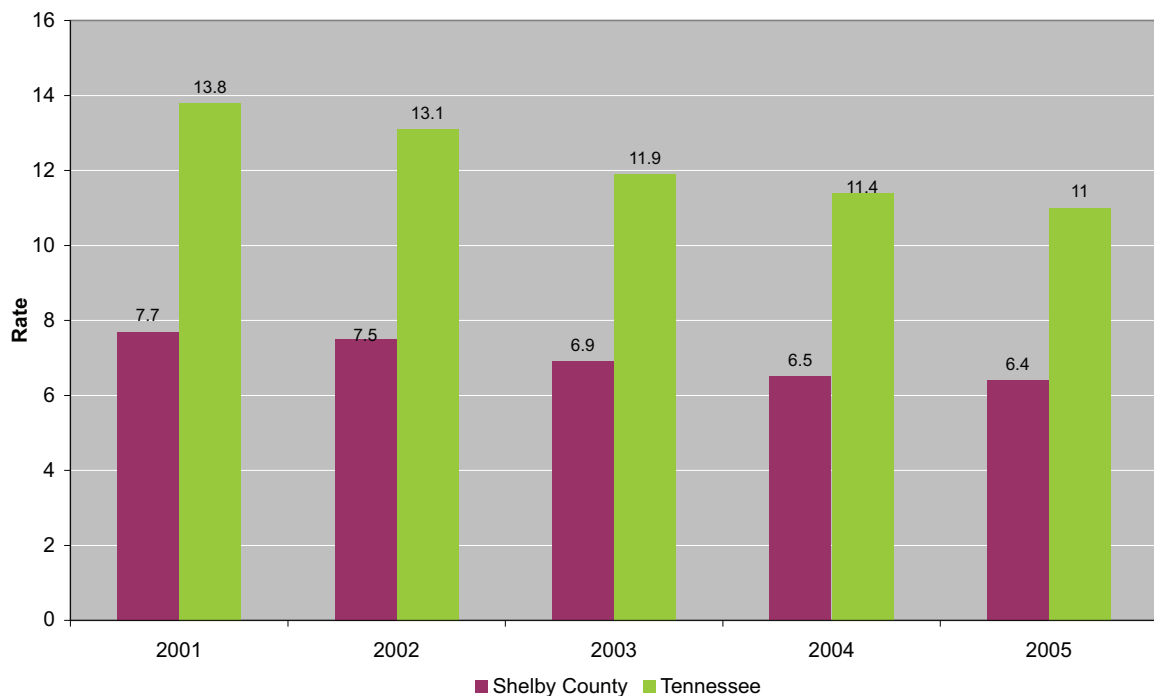
Earn Benefits is another program that benefits low-income Shelby County families. It is a program that is available through SeedCo, a workforce development intermediary organization that serves as a clearing house for low-income individuals in New York City, Baltimore, Buffalo, Atlanta and Shelby County. Residents throughout Shelby County can apply for assistance with housing, health and related expenditures pertaining to children and families.

Qualified applicants can receive assistance from Memphis, Light, Gas and Water, from Families First for health care and Transitional Child Care and for access to Early Head Start and Head Start, and WIC (Women, Infants and Children).

Marriage rate in Shelby County declining faster than state rate.

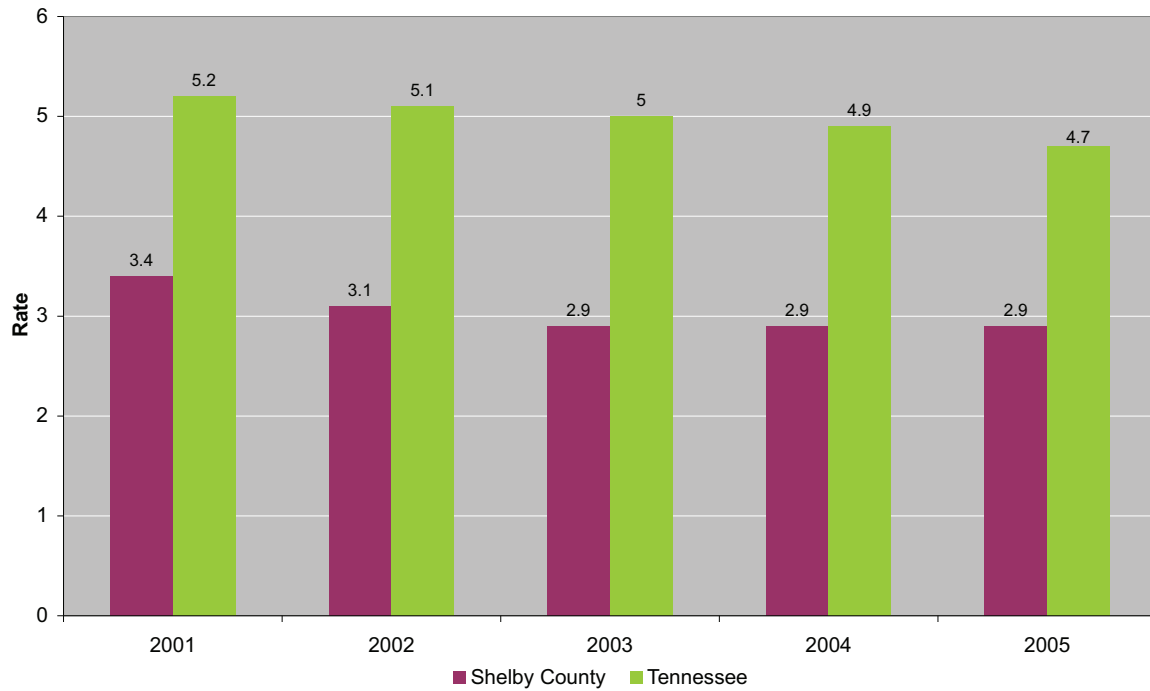
Marriage rates in Shelby County and statewide have declined steadily since 2001, but still the Tennessee rate runs consistently and substantially higher than Shelby County's marriage rate. Divorce rates in Shelby County and throughout Tennessee also have declined. The Tennessee divorce rate continues to be substantially higher than the rate in Shelby County.

Marriage Rates in Shelby County and Tennessee, 2001–2005



Source: Tennessee Department of Health

Divorce Rates in Shelby County and Tennessee, 2001–2005

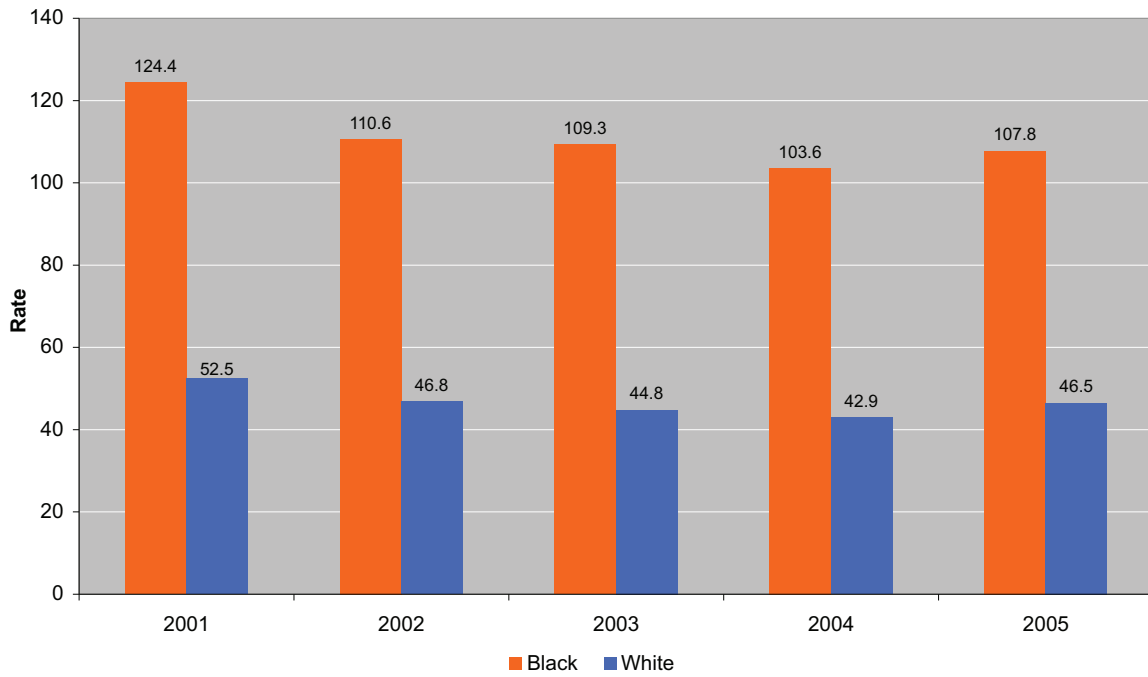


Source: Tennessee Department of Health

Decreasing rates of divorce may be one bright spot for child well-being. We know that two-parent families are likely to have higher incomes and higher levels of education and stability.

The brightest spot has been the steady decline in the rate of teenage pregnancy in Shelby County from 2001 to 2005.

Pregnancy Rates of Families Age 15–19 in Shelby County by Race & Ethnicity, 2001–2005



Source: Tennessee Department of Education

The rate of pregnancies by black teenagers aged 15-19 decreased by 12 percent, and the rate of pregnancies by white teens, 15-19 decreased by 14 percent.