



Contact:

Alicia Torres

Communications Director, Child Trends Hispanic Institute

atorres@childtrends.org

(240) 223-9360

Low-income Latino Families Are More Financially Stable and Less Likely to Participate in Government Assistance Programs

Three research briefs examine the economic circumstances of low-income Latino households

BETHESDA, Md. – The [National Research Center on Hispanic Children & Families](#) (Hispanic Center) today released new findings that show that low-income Hispanic households have less variation in earnings from month-to-month in comparison with non-Hispanic low-income households. Despite few resources, low-income Latinos may face difficulties accessing public assistance programs. The Hispanic Center is led by Child Trends and Abt Associates, in partnership with several universities.

In the first of three briefs, [Income Instability in the Lives of Hispanic Children](#), researchers found that Hispanic children were almost twice as likely as non-Hispanics to live in households with annual incomes of less than \$24,000, the lowest income bracket. At the same time, the studies found that Hispanic households in this lowest income bracket were more economically stable than non-Hispanic households. Researchers caution that this greater economic stability may come at a cost.

Income stability among Hispanics appears to be due to more stable monthly earnings rather than to uptake of social assistance programs that aim to stabilize income among poorer households. A household's earned income stability varies depending on a complex set of factors. These include the number of adult earners employed, the quality of those jobs, and the predictability of their earnings from month-to-month. The greater stability in income observed among low-income Hispanics may be a result of parents' working long hours or having multiple part-time jobs, which could translate into less time at home with their families.

“On one hand, stable earnings and less reliance on social assistance income may bode well for Latino children, particularly if associated with broader family stability, even if at low overall income,” said Lisa Gennetian, author of these briefs and program head for the Hispanic Center's Poverty Reduction and Self-Sufficiency research area. “On the other hand, stable chronic poverty is not good for children.” Dr. Gennetian is also associate research scientist at New York University's Institute for Human Development and Social Change, and a senior researcher at the National Bureau of Economic Research.

Previous studies found that the combination of low and unstable incomes may impact family routines, psychological stress, and residential stability, which in turn can lead to negative repercussions for children's development.

The second brief, [*How Hispanic Parents Perceive Their Need and Eligibility for Public Assistance*](#), points to previous research that found that Hispanics are less likely than blacks and whites to access some public assistance. For example, research found that in 2009, 27 percent of lower income Hispanic parents received food stamp benefits compared to 43 percent of black parents. The researchers explored parents' reported reasons for not applying for government assistance and found similar reasons among Hispanic, white and black parents with one important exception: Hispanic parents were more likely to report immigration concerns as a barrier for applying for government assistance programs. The brief notes that 9 percent of naturalized citizens and over a third of legal permanent residents perceived that they were ineligible for government assistance programs because of immigration reasons.

"Our findings signal that immigration concerns have far-reaching consequences and may be hindering families who may be eligible and in need of services from obtaining them," said Marta Alvira-Hammond, lead author of the brief and senior research analyst at Child Trends. "This new information can help guide programs' outreach to low-income Hispanics."

Researchers also noted there is a wider income inequality gap among Hispanic families compared to non-Hispanic families. For example, nearly 30 percent of Hispanic children live in poverty, while about nine percent live in high-income households—a difference of 20 points. Among non-Hispanic children, the difference is just 9 percentage points, as 16 percent of non-Hispanic children live in poverty while about a quarter live in high-income households. Overall, 25 percent of all children in the United States are Hispanic.

The third brief, [*Low and Stable Income: Comparisons Among Hispanic Children, From 2004 Through the Period Following the Great Recession*](#), suggests that the Great Recession may have presented barriers to economic mobility. The economic circumstances in 2008 to 2011, toward the end of the recession, reduced the income gap between Hispanic children in high- and low-income households. This reduction appears to have come about through downward shifts of Hispanic households from high-to middle-income groups, not through rises in the lowest income group to higher income groups.

With fewer ties to formal and stable employment pre-recession, fewer Latino workers may have had access to unemployment insurance and other sources of emergency income or insurance to lessen the repercussions of wage losses during the recession.

"These briefs provide a deeper understanding of the economic circumstances facing low-income Hispanic families," explained Lina Guzman, co-director of the National Research Center on Hispanic Children and Families and a program area director for Child Trends. "This is precisely the type of research needed to inform policies aimed at improving outcomes for the fastest-growing sector of children in the United States—Latino children."

###

About the Center: The [National Research Center on Hispanic Children and Families](http://www.HispanicResearchCenter.org) (www.HispanicResearchCenter.org) is a hub of research to improve the lives of low-income Hispanics across three priority areas- poverty reduction and self-sufficiency, healthy marriage and responsible fatherhood, and early care and education. It's comprised of a team of national experts in Hispanic issues, led by [Child Trends](#) and [Abt Associates](#) along with university partners (University of Maryland-College Park, University of North Carolina at Greensboro, and the Institute for Human Development and Social Change at New York University). The Center was established in 2013 by a five-year cooperative agreement from the [Office of Planning, Research and Evaluation](#) within the Administration for Children and Families in the U.S. Department of Health and Human Services.