Current Household Economic Studies Population Reports

Beyond Poverty, Extended Measures of Well-Being: 1992

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How well off are we? Quality of life can be measured by the things that we own, our ability to afford shelter, the safety of our neighborhoods, our health and nutrition, as well as our incomes. Two groups which score very low on many measures of material well-being are those whose family income is below the poverty line and those who participate in the Aid to Families with Dependent Children (AFDC) program. In fact, on all measures reported here, the poor are significantly worse off than the nonpoor. Additionally, on a majority of the measures, those participating in AFDC are worse off than those classified as income poor.

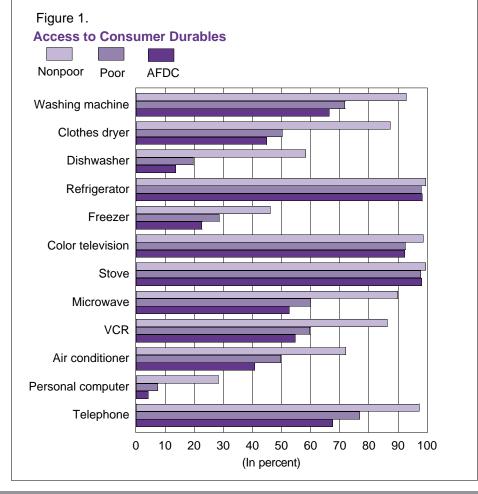
This brief report uses data collected in the Survey of Income and Program Participation (SIPP) to present measures of material well-being for all persons in families, in families classified as poor, and in families who report receiving AFDC. Data are based on the 4-month period from September to December of 1992.

Consumer Durables

Owning or having access to consumer

Table 1. Access to Consumer Durables: September–December 1992 (In percent)

(percent)		Persons in Families Who Are							
Consumer durables	Non- poor	Std. error	Poor	Std. error	Receiving AFDC	Std. error			
Percent of persons with-	_								
Washing machine	92.7	0.16	71.7	0.71	66.3	1.19			
Clothes dryer	87.3	0.20	50.2	0.79	44.8	1.25			
Dishwasher	58.3	0.30	19.6	0.62	13.6	0.86			
Refrigerator	99.5	0.04	97.9	0.23	98.2	0.34			
Freezer	46.0	0.30	28.6	0.71	22.6	1.05			
Color television	98.5	0.07	92.5	0.45	92.2	0.68			
Stove	99.5	0.04	97.7	0.24	98.0	0.35			
Microwave	89.8	0.18	60.0	0.77	52.6	1.26			
VCR	86.2	0.21	59.7	0.77	54.6	1.26			
Air conditioner	71.9	0.27	49.6	0.79	40.7	1.23			
Personal computer	28.3	0.27	7.4	0.41	4.2	0.50			
Telephone	97.2	0.10	76.7	0.66	67.5	1.17			



durables affects the quality of life. Almost all persons in poor families have access to refrigerators and stoves (see table 1 and figure 1 on page 1). The poor were less likely to own or have access to a telephone than the nonpoor. For several other goods, the poor had significantly lower rates than the nonpoor, although for most goods measured, they were still above 50 percent. For example, 72 percent of persons in poor families (66 percent of AFDC families) had access to washing machines.

Table 2. Living Conditions: September–December 1992 (In percent)

(In percent)	Persons in Families Who Are					
Conditions	Non- poor	Std. error	Poor	Std. error	Receiving AFDC	Std. error
Percent of persons with—						
Own home	76.5	0.25	33.6	0.73	16.1	0.90
Number of rooms	6.3	0.01	5.1	0.03	4.9	0.04
Upkeep problems:						
Leaking roof or ceiling	8.5	0.17	15.8	0.58	14.9	0.90
Toilet, hot water heater,						
plumbing not working	4.8	0.13	12.0	0.51	11.9	0.82
Broken windows	8.2	0.17	18.6	0.61	20.4	0.10
Exposed wiring	1.3	0.07	4.0	0.31	5.5	0.58
Rats, mice, roaches	13.9	0.21	39.4	0.77	45.8	1.26
Holes in floor	0.8	0.05	4.8	0.34	4.5	0.52
Cracks or holes in						
walls or ceiling	4.1	0.12	13.5	0.54	17.6	0.96
Living condition bad enough that						
one would like to move	9.5	0.18	26.6	0.70	34.5	1.21
Neighborhood:						
Neighborhood safe	93.0	0.16	78.1	0.66	67.4	1.20
Home safe from crime	95.0	0.13	85.0	0.57	80.4	1.01
Afraid to go out	8.7	0.17	19.5	0.63	24.6	1.09
Crime a problem	16.3	0.23	30.4	0.49	42.5	1.26
Trash/litter	10.0	0.18	22.7	0.66	29.6	1.15
Rundown/abandoned structure	9.6	0.18	18.8	0.62	23.5	1.07
Neighborhood condition bad enough that						
one would like to move	6.5	0.15	18.4	0.61	27.5	1.13
Community services bad enough that one		~		o ==		4.00
would like to move	5.5	0.14	15.1	0.57	20.5	1.03

Having access to a computer at home and at school can play an important role in preparing children for the future. Twenty-eight percent of nonpoor families reported having access to a personal computer at home, while only 7 percent of persons in poor families and 4 percent of those in AFDC families had access to a personal computer.

Crime and Neighborhood

Poor families were less likely to report living in safe neighborhoods than the nonpoor. Ninety-three percent of the nonpoor lived in families where the family head reported that their neighborhood was safe from crime, compared to only 78 percent of the poor and 67 percent of persons in families receiving AFDC (see table 2). Similarly, the nonpoor were less likely than the poor to live in families where the head reported being afraid to go out.

Overall, the poor were more likely than the nonpoor to express dissatisfaction with their communities. Eighteen percent of persons in poor families, and 28 percent of AFDC families reported that their neighborhood conditions were bad enough that they would like to move, compared with only 7 percent of nonpoor families. Similarly, a higher percentage of persons in poor families and in AFDC families than persons in families classified as nonpoor reported that community services in their neighborhoods were bad enough that they would like to move.

Basic Needs

Twenty-six percent of the poor and 29 percent of those on AFDC lived in families that were unable to pay the full rent or mortgage at some point in the last year (see table 3). The rate for persons in nonpoor families was only one third as much as those in poor families, 8 percent. Similarly, although eviction is rare for all groups, the poor had much higher eviction rates than nonpoor persons.

The poor had problems paying utility bills and were more likely to have services cut off in their homes as a result. The poor were more than three times as likely as the nonpoor to have difficulty paying their gas, oil, or electricity bill

at some time in the last year. The poor were more than four times as likely to have their utilities cut off, while AFDC families were over five times as likely as nonpoor persons. Finally, the poor were over four times as likely as the nonpoor to have their telephone service disconnected and AFDC families were six times as likely.

Health and Nutrition

The poor were about twice as likely as the nonpoor to live in households that reported that a member did not go see a doctor or dentist when needed. Twenty percent of the poor (15 percent of those in AFDC families) had at least one member in the past year who did not seek needed medical attention, compared with 7 percent of the nonpoor. Similarly, a higher percentage of persons in poor or AFDC families had a member who needed to see a dentist and did not go.

The poor were more likely to go without food or not have enough money to buy food, than were the nonpoor. Ninety-nine percent of the nonpoor reported having

enough food to eat, while only 89 percent of the poor and 86 percent of those in AFDC families said the same.

A Deprivation Index

When there are insufficient resources to meet all needs, people respond in different ways. Some choose to consume less food, others choose to live in less comfortable housing. To address this, we have created an ad hoc index of deprivation (see table 4). The index is the simple sum of nine variables, all of which indicate rare events, even for the poor: eviction in the past year, gas or electricity turned off in the past year, phone disconnected in the past year, not having enough food in the last month, crowded housing, moderate to severe upkeep problems, no access to a refrigerator, no access to a stove, and no access to a telephone.

Although each of these events is relatively rare even for poor families, the cumulative index adds up quickly. Fifty-five percent of the poor lived in families with at least one deprivation, compared with 13 percent of nonpoor persons. Similarly, a much higher percentage of persons in poor families (27 percent) faced two or more deprivations compared with only 3 percent of persons in all nonpoor families. Worst of all, 65 percent of AFDC families suffered at least one deprivation and 34 percent experienced two or more.

Table 3. Ability to Meet Basic Needs: September–December 1992 (In percent)

	Persons in Families Who Are						
Basic needs	Non-	Std.		Std.	Receiving	Std.	
	poor	error	Poor	error	AFDC	error	
ercent of persons—							
Could not pay full							
rent/mortgage	7.5	0.16	25.9	0.70	29.1	1.15	
Evicted	0.4	0.04	2.1	0.23	2.6	0.40	
Could not pay full utility bill	9.8	0.18	32.4	0.74	40.7	1.25	
Had gas/electric service turned off	1.8	0.08	8.5	0.44	10.5	0.78	
Had telephone service disconnected	3.2	0.11	16.0	0.58	20.3	1.02	
Household members didn't seek							
needed medical attention	7.4	0.16	19.6	0.63	15.2	0.91	
Household members needed to see							
dentist but didn't go	10.0	0.18	24.0	0.68	20.8	1.03	
All/most of the help needed							
available from family	73.2	0.28	62.1	0.79	59.3	1.28	
All/most of the help needed							
available from friends	65.7	0.29	47.2	0.81	43.7	1.28	
All/most of the help needed available							
from community service	40.0	0.32	36.2	0.83	37.7	1.33	
Food adequacy in past 4 months:							
Enough food	98.6	0.07	89.0	0.49	85.8	0.88	
Days without food last month	04.0	0.4.4	05.0	0.55	04.0	0.04	
none	94.3	0.14	85.2	0.55	81.9	0.94	

Table 4.

An Index of Deprivation: September–December 1992 (In percent)

(in percent)			Perso			
Number of deprivations	Non- poor	Std. error	Poor	Std. error	Receiving AFDC	Std. error
Percent of persons with at least :						
One deprivation	13.1	0.20	55.1	0.76	65.4	1.16
Two deprivations	3.3	0.11	26.9	0.68	33.6	1.15
Three deprivations	1.0	0.06	11.8	0.50	14.6	0.86
Four deprivations	0.3	0.03	4.0	0.30	4.9	0.53
Five deprivations	0.1	0.01	1.1	0.16	1.7	0.32
Six deprivations	_	_	0.1	0.05	0.1	0.08
Seven deprivations	-	-	-	-	-	-
- Represents zero						
Note: See text for definition.						

Accuracy of the Estimates

All statistics in this report are subject to sampling error, as well as nonsampling error such as survey design flaws, respondent classification errors, and data processing mistakes. The Census Bureau has taken steps to minimize errors, and analytical statements have been tested and meet statistical standards. However, because of methodological differences, use caution when comparing these data with data from other sources. The standard errors in the tables estimate the magnitude of the SIPP sampling error. We do not provide estimates of total error, which includes nonsampling error. For information on the source of data and the accuracy of estimates, including the use of computation of standard errors. see the "Source

and Accuracy Statement for the 1992 Public Use Files From the Survey of Income and Program Participation."

Notes

These data were compiled from the "Extended Measures of Well-Being" topical module collected as part of Wave 6 of the 1991 panel and Wave 3 of the 1992 panel of the SIPP. The combined panels make up responses on living conditions by reference persons representing almost 85,000 persons. The reference period is September through December of 1992.

These data were not imputed for nonresponse and therefore frequencies are based only on the proportion of persons answering the questions. For the most part, nonresponse levels for these questions were in the range of 1 or 2 percent.

The poverty measure used in these tabulations compares family income (or person income for unrelated individuals) over the 4 month reference period to the appropriate poverty threshold for these 4 months. Families are defined using the census definition.

AFDC families are defined as persons in families which received AFDC payments in month 4 of the reference period and with own children under the age of 18.

(The data presented here are part of a larger report prepared with David Levine and Maya Federman of the Council of Economic Advisers.)